

PUBLIC PAPERS
OF THE
PRESIDENTS

Jimmy
Carter

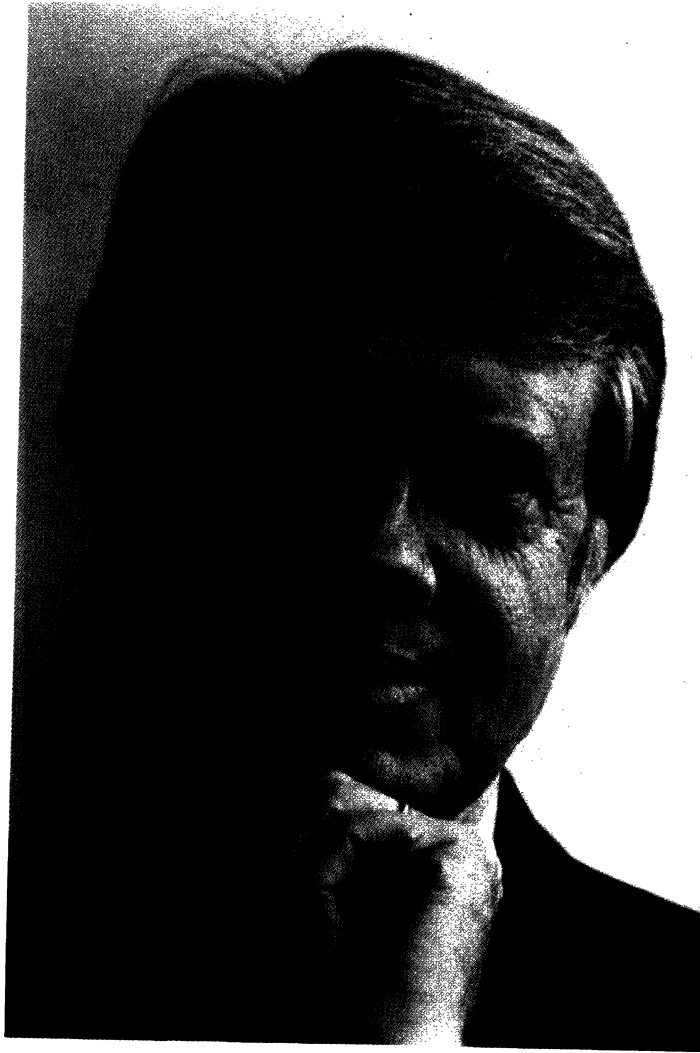
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**PUBLIC PAPERS OF THE PRESIDENTS
OF THE UNITED STATES**



United States, President (1977-1981) (Carter)

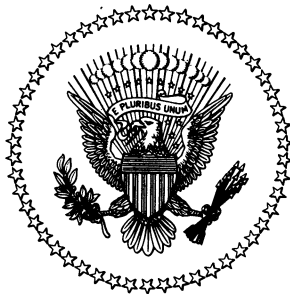
PUBLIC PAPERS OF THE PRESIDENTS
OF THE UNITED STATES

Jimmy Carter

1977

(IN TWO BOOKS)

BOOK I—JANUARY 20 TO JUNE 24, 1977



UNITED STATES GOVERNMENT PRINTING OFFICE

WASHINGTON : 1977

Published by the
Office of the Federal Register
National Archives and Records Service
General Services Administration



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Stock No. 022-003-00943-4

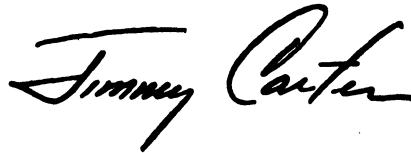
Foreword

These papers have been collected to provide both a contemporary reference source and a permanent historical record of the first months of my administration.

They indicate the breadth and scope of the domestic responsibilities with which the American people expected their Federal Government to deal in 1977—ranging from the immediate need to mitigate the tragic human effects of natural disasters, to the need to overcome such continuing social problems as unemployment, inflation, welfare, and health care, to the need to re-examine our most basic social attitudes toward energy and the environment. They also indicate the complexity and delicacy of our international responsibilities in a world that has changed dramatically within a single generation.

If there is much here that is routine, there is also much that suggests the presence of a new spirit and a new dedication, a determination to confront directly, and without pretense, the many hard issues that a democratic society must resolve.

One who has been so close to these events should not volunteer too quickly to interpret them. Future historians will judge which of these documents are significant, and for what reasons. But I know what I hope they will find—that, at home, our government began to be less exalted and remote, more approachable and compassionate; and that abroad, America began to restore the humane ideals and nobility of purpose which rightfully make it an example for mankind. This would be proof, not that leaders can transform a nation, but rather that the American people do indeed have a fresh faith in the old dream.

A handwritten signature in black ink, reading "Jimmy Carter". The signature is written in a cursive, flowing style with a large, prominent "C" for "Carter".

Preface

This book contains the papers of the 39th President of the United States which were issued by the White House Press Office during the period January 20–June 24, 1977. The material has been compiled and published by the Office of the Federal Register, National Archives and Records Service, General Services Administration.

The material is presented in chronological order within each week, and the dates shown in the headings are the dates of the documents or events. In instances when the release date differs from the date of the document itself, that fact is shown in the textnote. New to the Public Papers series this year are a digest containing the President's daily public schedule and other items of general interest, a list of nominations submitted to the Senate, a checklist of White House press releases not printed in the book, and a list of acts approved by the President. This information is compiled on a weekly basis and appears at the end of each week's coverage.

Every effort has been made to ensure accuracy. Tape recordings are used to protect against errors in transcription of Presidential remarks, and unless noted, signed documents are checked against the original to verify the correct printing. Textnotes, footnotes, and cross references have been provided by the editors for purposes of identification or clarity. Remarks were delivered in Washington, D.C., and other documents released there, unless indicated. All times noted are local times.

The index covers only material in this book. However, Book II, containing documents issued between June 25 and December 31, 1977, will include an index to documents for all of 1977. In addition to the usual subject-matter entries in the index, the material has been classified in categories reflecting the type of Presidential activity. For example, a reader interested in the President's speeches will find them listed in the index under "Addresses and Remarks."

The Public Papers series was begun in 1957 in response to a recommendation of the National Historical Publications Commission. An extensive compilation of the messages and papers of the Presidents, covering the period 1789 to 1897, was assembled by James D. Richardson and published under congressional authority between 1896 and 1899. Since then, various private compilations have been issued, but there was no uniform publication comparable to the Congressional Record or the United States Supreme Court Reports. Many Presidential papers could be found only in the form of mimeographed White House releases or as reported in the press. The Commission therefore recommended the establishment of an official

Preface

series in which Presidential writings, addresses, and remarks of a public nature could be made available.

The Commission's recommendation was incorporated in regulations of the Administrative Committee of the Federal Register, issued under section 6 of the Federal Register Act (44 U.S.C. 1506), which may be found in Title 1, Part 10, of the Code of Federal Regulations.

The Weekly Compilation of Presidential Documents was begun in 1965 as a companion publication to the Public Papers to provide a record of Presidential materials on a more timely basis. Beginning with the administration of Jimmy Carter, the Public Papers series has expanded its coverage to include all material, as printed in the Weekly Compilation. This expanded coverage now provides the full text of proclamations and Executive orders, announcements of appointments and nominations, as well as selected statements or remarks of senior administration officials.

A second Public Papers book completing President Carter's first year in office will be printed in early 1978. Volumes covering the administrations of Presidents Hoover, Truman, Eisenhower, Kennedy, Johnson, Nixon, and the first 2 years of President Ford are also available.

This series is under the direction of Fred J. Emery, Director, Ernest J. Galdi, Deputy Director, and Martha B. Girard, Director of the Presidential Documents Division, Office of the Federal Register. Editors of this volume were Margaret M. Donohoe, Richard L. Claypoole, Katherine A. Mellody, and Kenneth R. Payne.

White House liaison was provided by Walter W. Wurfel, Deputy Press Secretary. The photograph used as the frontispiece was taken by Stanley Tretick, and the photographs used in the portfolio were supplied by the White House Photo Office.

The typography and design of the volume were developed by the United States Government Printing Office, under the direction of Thomas F. McCormick, Public Printer, and John J. Boyle, Deputy Public Printer.

JAMES B. RHOADS
Archivist of the United States

JOEL W. SOLOMON
Administrator of General Services
December 1977

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Administration of Jimmy Carter

PRESIDENTIAL DOCUMENTS

Week Ending Saturday, January 22, 1977

INAUGURAL ADDRESS OF PRESIDENT JIMMY CARTER

*Following His Swearing In as the 39th President of the United States.
January 20, 1977*

For myself and for our Nation, I want to thank my predecessor for all he has done to heal our land.

In this outward and physical ceremony, we attest once again to the inner and spiritual strength of our Nation. As my high school teacher, Miss Julia Coleman, used to say, "We must adjust to changing times and still hold to unchanging principles."

Here before me is the Bible used in the inauguration of our first President, in 1789, and I have just taken the oath of office on the Bible my mother gave me just a few years ago, opened to a timeless admonition from the ancient prophet Micah: "He hath showed thee, O man, what is good; and what doth the Lord require of thee, but to do justly, and to love mercy, and to walk humbly with thy God."

This inauguration ceremony marks a new beginning, a new dedication within our Government, and a new spirit among us all. A President may sense and proclaim that new spirit, but only a people can provide it.

Two centuries ago, our Nation's birth was a milestone in the long quest for freedom. But the bold and brilliant dream which excited the founders of this Nation still awaits its consummation. I have no new dream to set forth today, but rather urge a fresh faith in the old dream.

Ours was the first society openly to define itself in terms of both spirituality and human liberty. It is that unique self-definition which has given us an exceptional appeal, but it also imposes on us a special obligation

to take on those moral duties which, when assumed, seem invariably to be in our own best interests.

You have given me a great responsibility—to stay close to you, to be worthy of you, and to exemplify what you are. Let us create together a new national spirit of unity and trust. Your strength can compensate for my weakness, and your wisdom can help to minimize my mistakes.

Let us learn together and laugh together and work together and pray together, confident that in the end we will triumph together in the right.

The American dream endures. We must once again have full faith in our country—and in one another. I believe America can be better. We can be even stronger than before.

Let our recent mistakes bring a resurgent commitment to the basic principles of our Nation, for we know that if we despise our own government, we have no future. We recall in special times when we have stood briefly, but magnificently, united. In those times no prize was beyond our grasp.

But we cannot dwell upon remembered glory. We cannot afford to drift. We reject the prospect of failure or mediocrity or an inferior quality of life for any person. Our Government must at the same time be both competent and compassionate.

We have already found a high degree of personal liberty, and we are now struggling to enhance equality of opportunity. Our commitment to human rights must be absolute, our laws fair, our national beauty preserved; the powerful must not persecute the weak, and human dignity must be enhanced.

We have learned that *more* is not necessarily *better*, that even our great Nation has its recognized limits, and that we can neither answer all questions nor solve all problems. We cannot afford to do everything, nor can we afford to lack boldness as we meet the future. So, together, in a spirit of individual sacrifice for the common good, we must simply do our best.

Our Nation can be strong abroad only if it is strong at home. And we know that the best way to enhance freedom in other lands is to demonstrate here that our democratic system is worthy of emulation.

To be true to ourselves, we must be true to others. We will not behave in foreign places so as to violate our rules and standards here at home, for we know that the trust which our Nation earns is essential to our strength.

The world itself is now dominated by a new spirit. Peoples more numerous and more politically aware are craving, and now demanding,

their place in the sun—not just for the benefit of their own physical condition, but for basic human rights.

The passion for freedom is on the rise. Tapping this new spirit, there can be no nobler nor more ambitious task for America to undertake on this day of a new beginning than to help shape a just and peaceful world that is truly humane.

We are a strong nation, and we will maintain strength so sufficient that it need not be proven in combat—a quiet strength based not merely on the size of an arsenal but on the nobility of ideas.

We will be ever vigilant and never vulnerable, and we will fight our wars against poverty, ignorance, and injustice, for those are the enemies against which our forces can be honorably marshaled.

We are a proudly idealistic nation, but let no one confuse our idealism with weakness.

Because we are free, we can never be indifferent to the fate of freedom elsewhere. Our moral sense dictates a clearcut preference for those societies which share with us an abiding respect for individual human rights. We do not seek to intimidate, but it is clear that a world which others can dominate with impunity would be inhospitable to decency and a threat to the well-being of all people.

The world is still engaged in a massive armaments race designed to ensure continuing equivalent strength among potential adversaries. We pledge perseverance and wisdom in our efforts to limit the world's armaments to those necessary for each nation's own domestic safety. And we will move this year a step toward our ultimate goal—the elimination of all nuclear weapons from this Earth. We urge all other people to join us, for success can mean life instead of death.

Within us, the people of the United States, there is evident a serious and purposeful rekindling of confidence. And I join in the hope that when my time as your President has ended, people might say this about our Nation:

- that we had remembered the words of Micah and renewed our search for humility, mercy, and justice;
- that we had torn down the barriers that separated those of different race and region and religion, and where there had been mistrust, built unity, with a respect for diversity;
- that we had found productive work for those able to perform it;
- that we had strengthened the American family, which is the basis of our society;

—that we had ensured respect for the law and equal treatment under the law, for the weak and the powerful, for the rich and the poor; and

—that we had enabled our people to be proud of their own Government once again.

I would hope that the nations of the world might say that we had built a lasting peace, based not on weapons of war but on international policies which reflect our own most precious values.

These are not just my goals—and they will not be my accomplishments—but the affirmation of our Nation's continuing moral strength and our belief in an undiminished, ever-expanding American dream.

Thank you very much.

NOTE: President Carter spoke at 12:05 p.m. from a platform erected at the East Front of the Capitol. Immediately before the address, Chief Justice of the United States Warren E. Burger administered the oath of office.

United States Foreign Policy

Remarks to People of Other Nations on Assuming Office. January 20, 1977

I have chosen the occasion of my inauguration as President to speak not only to my own countrymen—which is traditional—but also to you, citizens of the world who did not participate in our election but who will nevertheless be affected by my decisions.

I also believe that as friends you are entitled to know how the power and influence of the United States will be exercised by its new Government.

I want to assure you that the relations of the United States with the other countries and peoples of the world will be guided during my own administration by our desire to shape a world order that is more responsive to human aspirations. The United States will meet its obligation to help create a stable, just, and peaceful world order.

We will not seek to dominate nor dictate to others. As we Americans have concluded one chapter in our Nation's history

and are beginning to work on another, we have, I believe, acquired a more mature perspective on the problems of the world. It is a perspective which recognizes the fact that we alone do not have all the answers to the world's problems.

The United States alone cannot lift from the world the terrifying specter of nuclear destruction. We can and will work with others to do so.

The United States alone cannot guarantee the basic right of every human being to be free of poverty and hunger and disease and political repression. We can and will cooperate with others in combating these enemies of mankind.

The United States alone cannot ensure an equitable development of the world resources or the proper safeguarding of the world's environment. But we can and will join with others in this work.

The United States can and will take the lead in such efforts.

In these endeavors we need your help, and we offer ours. We need your experience; we need your wisdom.

We need your active participation in a joint effort to move the reality of the world closer to the ideals of human freedom and dignity.

As friends, you can depend on the United States to be in the forefront of the search for world peace. You can depend on the United States to remain steadfast in its commitment to human freedom and liberty. And you can also depend on the United States to be sensitive to your own concerns and aspirations, to welcome your advice, to do its utmost to resolve international differences in a spirit of cooperation.

The problems of the world will not be easily resolved. Yet the well-being of each and every one of us—indeed our mutual survival—depends on their resolution. As President of the United States I can assure you that we intend to do our part. I ask you to join us in a common effort based on mutual trust and mutual respect.

Thank you.

NOTE: The President's remarks were videotaped by the United States Information Agency for broadcast to 26 nations on January 20.

Presidential Proclamation of Pardon

Proclamation 4483. January 21, 1977

GRANTING PARDON FOR VIOLATIONS OF
THE SELECTIVE SERVICE ACT, AUGUST 4, 1964 TO MARCH 28, 1973

*By the President of the United States
of America*

A Proclamation

Acting pursuant to the grant of authority in Article II, Section 2, of the Consti-

tution of the United States, I, Jimmy Carter, President of the United States, do hereby grant a full, complete and unconditional pardon to: (1) all persons who may have committed any offense between August 4, 1964 and March 28, 1973 in violation of the Military Selective Service Act or any rule or regulation promulgated thereunder; and (2) all persons heretofore convicted, irrespective of the date of conviction, of any offense committed between August 4, 1964 and March 28, 1973 in violation of the Military Selective Service Act, or any rule or regulation promulgated thereunder, restoring to them full political, civil and other rights.

This pardon does not apply to the following who are specifically excluded therefrom:

(1) All persons convicted of or who may have committed any offense in violation of the Military Selective Service Act, or any rule or regulation promulgated thereunder, involving force or violence; and

(2) All persons convicted of or who may have committed any offense in violation of the Military Selective Service Act, or any rule or regulation promulgated thereunder, in connection with duties or responsibilities arising out of employment as agents, officers or employees of the Military Selective Service system.

IN WITNESS WHEREOF, I have hereunto set my hand this 21st day of January, in the year of our Lord nineteen hundred and seventy-seven, and of the Independence of the United States of America the two hundred and first.

JIMMY CARTER

[Filed with the Office of the Federal Register,
1:04 p.m., January 21, 1977]

Executive Order Relating to Proclamation of Pardon

Executive Order 11967. January 21, 1977

RELATING TO VIOLATIONS OF THE SELECTIVE SERVICE ACT, AUGUST 4, 1964 TO MARCH 28, 1973

The following actions shall be taken to facilitate Presidential Proclamation of Pardon of January 21, 1977:

1. The Attorney General shall cause to be dismissed with prejudice to the government all pending indictments for violations of the Military Selective Service Act alleged to have occurred between August 4, 1964 and March 28, 1973 with the exception of the following:

(a) Those cases alleging acts of force or violence deemed to be so serious by the Attorney General as to warrant continued prosecution; and

(b) Those cases alleging acts in violation of the Military Selective Service Act by agents, employees or officers of the Selective Service System arising out of such employment.

2. The Attorney General shall terminate all investigations now pending and shall not initiate further investigations alleging violations of the Military Selective Service Act between August 4, 1964 and March 28, 1973, with the exception of the following:

(a) Those cases involving allegations of force or violence deemed to be so serious by the Attorney General as to warrant continued investigation, or possible prosecution; and

(b) Those cases alleging acts in violation of the Military Selective Service Act by agents, employees or officers of the Selective Service System arising out of such employment.

3. Any person who is or may be precluded from reentering the United States

under 8 U.S.C. 1182(a) (22) or under any other law, by reason of having committed or apparently committed any violation of the Military Selective Service Act shall be permitted as any other alien to reenter the United States.

The Attorney General is directed to exercise his discretion under 8 U.S.C. 1182 (d) (5) or other applicable law to permit the reentry of such persons under the same terms and conditions as any other alien.

This shall not include anyone who falls into the exceptions of paragraphs 1(a) and (b) and 2(a) and (b) above.

4. Any individual offered conditional clemency or granted a pardon or other clemency under Executive Order 11803 or Presidential Proclamation 4313, dated September 16, 1974, shall receive the full measure of relief afforded by this program if they are otherwise qualified under the terms of this Executive Order.

JIMMY CARTER

The White House,
January 21, 1977.

[Filed with the Office of the Federal Register,
1:05 p.m., January 21, 1977]

The Energy Shortage

Statement Announcing Initiatives To Deal With the Shortage. January 21, 1977

As many Americans know from direct personal experience, this Nation is confronted by near-critical shortages in natural gas supplies. This has been one of the coldest winters in our history. Electric utilities are experiencing record demand. Great stress has been placed on supplies of alternative fuels for heating.

Plants have been forced to close down in a number of States currently affecting over 200,000 workers. An equal number

of children have been turned out of their schools because of natural gas shortages. As a former Governor, I know firsthand the extent of the problem facing State governments which are presently attempting to deal with the crisis. I am even more concerned about the growing cost in human suffering that will increase if severe winter weather continues.

In order to deal with this situation in a prompt and coordinated fashion, Dr. Schlesinger, as my personal representative, Senator Adlai Stevenson and Representative John Dingell, the chairmen of the respective Senate and House subcommittees having jurisdiction over natural gas, Chairman Richard Dunham and the members of the Federal Power Commission, and consumer representative Lee White have today met with representatives of the Nation's interstate pipelines to obtain a current measure of the shortage and to identify the options available to deal with the situation on an emergency basis.

The industry indicated willingness to work cooperatively with the Government in dealing with the crisis. I can pledge that the Government will use the full measure of its authority to respond forthrightly to minimize the adverse effects of this situation. I have instructed Dr. Schlesinger to work with congressional leaders to develop emergency legislation that will augment our legal means to distribute equitably our available supplies to protect property and safeguard the health and safety of our people.

Some affirmative action has already been undertaken to help alleviate the situation. The Federal Power Commission has extended emergency orders to allow more intrastate natural gas to enter the interstate system. The Canadian Government has agreed to make additional natural gas available on an emergency basis. The Federal Energy Administration has

been directed to review existing authorities to expedite the use of propane to supplement natural gas supplies and to assure that fuel oil supplies will be available to prevent localized spot shortages.

I recognize the critical need for the legislative and the executive branches to work together to put all the instrumentalities of government to work to help alleviate this crisis. Today, we are beginning this effort. But the most important short-term priority will be to save energy. We can secure additional supplies and put an energy allocation program in place. But without public conservation, there may not be enough energy to allocate. I am calling on all Americans, whether their homes are heated by natural gas, heating oil, or some other fuel, to turn their thermostats down to 65 degrees in the daytime and lower at night. By this action, great savings are possible. I am immediately directing that this discipline be observed in all Government installations.

I have great confidence in our ability to respond effectively to deal with this crisis and reduce consumption to manageable levels over the remainder of the winter. If we work together we will accomplish much, and our reward will be measured in the jobs we save and the human suffering we alleviate.

Today's crisis is a painful reminder that our energy problems are real and cannot be ignored. This Nation needs a coherent energy policy and such a program of energy action will be formulated promptly.

Department of State

Nomination of 10 Persons. January 21, 1977

The President today announced his selection, on the advice of Secretary of

State-designate Cyrus Vance, of 10 nominees for posts in the State Department. They are:

HAROLD H. SAUNDERS, to remain as Director of the Bureau of Intelligence and Research;

DOUGLAS JOSEPH BENNET, JR., to be Assistant Secretary of State for Congressional Relations;

JOSEPH D. DUFFEY, to be Assistant Secretary of State for Cultural Affairs;

JOHN M. THOMAS, to remain as Assistant Secretary of State for Administration;

C. WILLIAM MAYNES, to be Assistant Secretary of State for International Organization Affairs;

C. ARTHUR BORG, to be Executive Secretary of the Department of State;

CAROL C. LAISE, to remain as Director General of the Foreign Service;

JULIUS L. KATZ, to be retained as Assistant Secretary of State for Economic and Business Affairs;

JOSEPH SAMUEL NYE, JR., to be Deputy to the Under Secretary of State for Security Assistance, Science and Technology; and

MATHEA FALCO, to be Special Assistant to the Secretary for Narcotics Matters.

Vice President Mondale's Trip to Europe and Japan

Statement by the White House Press Secretary. January 22, 1977

The President has asked me to relay to you the particular importance he places on Vice President Mondale's trip. He sees this very early visit by the Vice President, a person he has come to value as a personal friend as well as a chief policy and political adviser, as symbolic of the importance this administration places on close and cooperative relationships with our friends and allies.

Above and beyond this symbolism, the President sees this journey as an important mission of fact finding and consulta-

tion at a time when the importance of economic and political cooperation to define and resolve mutual problems has never been greater.

The President is aware and the American people are aware that the relationships among nations now, as perhaps never before, directly affect the jobs and the economic security of families all over the world.

NOTE: Press Secretary Jody Powell read the statement at a January 22 new briefing on the Vice President's trip. His statement was not issued in the form of a White House press release.

Organization of the National Security Council

Statement by the White House Press Secretary. January 22, 1977

A new organizational system has been established for the NSC. In place of the previous seven committees, there will be only two. There will be a Committee on Policy Review, chaired by departmental officials, normally the senior departmental official.

There will be a Committee on Special Coordination dealing with cross-cutting issues, chaired by the President's National Security Adviser, Dr. Zbigniew Brzezinski.

This system was devised and ordered by the President himself. It reflects his desire for more simplified and responsive organization throughout government.

NOTE: Press Secretary Jody Powell read the statement at a January 22 news briefing on the Vice President's trip to Europe and Japan. His statement was not issued in the form of a White House press release.

Digest of Other White House Announcements

The following listing includes the President's daily schedule and other items of general interest as announced by the White House Press Office during the period covered by this issue. Events and announcements printed elsewhere in the issue are not included.

January 20

Following the Inaugural Parade, the President met at the White House with:

- Hamilton Jordan, Assistant to the President;
- Charles H. Warren, California State legislator;
- Max Cleland, former Georgia State legislator;
- Sam Brown, Colorado State Treasurer.

In the evening, the President and Mrs. Carter attended several Inaugural parties.

January 21

The President and Mrs. Carter hosted Inaugural receptions at the White House for:

- families which housed the Carter family during the campaign;
- State Governors and members of the Cabinet;
- members of the Democratic National Committee and Democratic Finance Committee, State campaign managers, labor and business leaders, and entertainers;
- Gov. George Busbee and supporters from Georgia, including the "Peanut Brigade," a group of Georgians who campaigned for Mr. Carter beginning with the early 1976 primary campaigns for the Democratic Presidential nomination.

The President announced the following appointments:

RICHARD HARDEN as Special Assistant to the President for Budget and Organization;
HUGH CARTER, JR., as Special Assistant to the President for Administration;
GREG SCHNEIDERS as Director, White House Projects.

The President met at the White House with Robert Fulbright, who presented the President with specially bound editions of "Why Not The Best?"

January 22

The President met at the White House with the National Security Council to discuss Vice President Walter F. Mondale's trip to Europe and Japan.

The President and Mrs. Carter hosted Inaugural receptions at the White House for:

- Members of Congress;
- members of the diplomatic corps;
- members of the Armed Forces.

NOMINATIONS SUBMITTED TO THE SENATE

The following list does not include promotions of members of the Uniformed Services, nominations to the Service Academies, or nominations of Foreign Service officers.

Submitted January 20, 1977

CYRUS VANCE, of New York, to be Secretary of State.

W. MICHAEL BLUMENTHAL, of Michigan, to be Secretary of the Treasury.

HAROLD BROWN, of California, to be Secretary of Defense.

GRIFFIN B. BELL, of Georgia, to be Attorney General.

CECIL D. ANDRUS, of Idaho, to be Secretary of the Interior.

BOB S. BERGLAND, of Minnesota, to be Secretary of Agriculture.

JUANITA M. KREPS, of North Carolina, to be Secretary of Commerce.

Administration of Jimmy Carter, 1977

NOMINATIONS—Continued

Submitted January 20—Continued

RAY MARSHALL, of Texas, to be Secretary of Labor.

JOSEPH A. CALIFANO, JR., of the District of Columbia, to be Secretary of Health, Education, and Welfare.

PATRICIA ROBERTS HARRIS, of the District of Columbia, to be Secretary of Housing and Urban Development.

BROCKMAN ADAMS, of Washington, to be Secretary of Transportation.

ANDREW J. YOUNG, of Georgia, to be the Representative of the United States of America to the United Nations with the rank and status of Ambassador Extraordinary and Plenipotentiary, and the Representative of the United States of America in the Security Council of the United Nations.

THOMAS BERTRAM LANCE, of Georgia, to be Director of the Office of Management and Budget.

CHARLES L. SCHULTZE, of the District of Columbia, to be a member of the Council of Economic Advisers.

**CHECKLIST OF WHITE HOUSE
PRESS RELEASES**

The following releases of the Office of the White House Press Secretary, distributed during the period covered by this issue, are not included in the issue.

Released January 20, 1977

Advance text: Inaugural address

Released January 21, 1977

Memorandum: continuation of Secret Service protection for former Secretary of State Henry A. Kissinger, former Vice President Nelson A. Rockefeller, and Susan Ford—from the Counsel to the President to the Secretary of the Treasury

**ACTS APPROVED BY
THE PRESIDENT**

NOTE: No acts approved by the President were received by the Office of the Federal Register during the period covered by this issue.

PRESIDENTIAL DOCUMENTS

Week Ending Friday, January 28, 1977

Vice President Mondale's Trip to Europe and Japan

*Remarks of the President and the
Vice President on the Vice President's
Departure. January 23, 1977*

THE PRESIDENT. I am very grateful to come this morning to have my last meeting with Vice President Mondale before he goes to Europe and to Japan. The early initiation of this very important diplomatic trip and the fact that the Vice President himself is going shows the importance that our Nation attaches to friendly relationships between ourselves and the seven nations, specifically with whose leaders Senator Mondale—or Vice President Mondale, now, will be meeting.

We also have arranged for him to meet with the leaders of the OECD, the NATO countries, and the Common Market countries of Europe. He'll be visiting Pope Paul and will be gone for 10 days. This trip will not be limited in its scope. He'll be discussing both political and economic and military matters.

We had a very thorough preparation for this trip with the members of the National Security Council yesterday morning. And for the last couple of weeks, Vice President Mondale and I have been preparing for this diplomatic venture.

There are several things specifically that he will be addressing. One is the preparation for a summit meeting that will likely occur later on this spring, which will not itself be limited to economic matters. He'll be discussing the importance that we attach to the limitation of proliferation of the capability for atomic weapons.

He'll be discussing future substantive changes that we hope will improve the strength of NATO and our own friendly and close relationships with our natural allies and friends in both Europe and Japan.

Vice President Mondale has my complete confidence. He is a personal representative of mine, and I'm sure that his consultation with the leaders of these nations will make it much easier for our country to deal directly with them on substantive matters in the future.

I'm going to miss him. I know that I'll be looking forward to 10 days from now when he returns with a good report. And this is one of the best things, I think, that I could have possibly done as a new President, to show the strength and purpose of our own Nation and our commitment to carry out the obligations that we have as a leader in the world community.

So, Fritz, good luck. Don't get too much rest, and we'll see you when you get back.

THE VICE PRESIDENT. Thank you very much, Mr. President.

I understand that this trip is a historic first. To have a Vice President leave on a diplomatic mission this quickly after inauguration—on a diplomatic mission of this kind—is unprecedented in American history. And the reason for the trip is to demonstrate immediately and dramatically the high level of importance that the Carter administration places on high level, continuous, cooperative relationships with our traditional allies and friends.

The many problems that we face, they also face. The problems of inflation, unemployment, nuclear proliferation, control of armaments, the relationships between our nations and the poorer nations of the world, and many other issues are issues which we face together. And it's essential at the very moment of beginning that the cooperative relationship be established in a way that permits us to move ahead quickly, effectively, and cooperatively.

I look forward to this trip, and I wish to thank the President for his confidence in me.

THE PRESIDENT. Thank you.

THE VICE PRESIDENT. Are you sure that helicopter works? [*Laughter*]

THE PRESIDENT. If it doesn't we'll all be very disappointed.

I caught a lot of flak when I issued the pardon proclamation. Maybe this will restore faith in the American people, having you leave the country for 10 days. Well, we love you, and thank you very much.

THE VICE PRESIDENT. As I told some people at the Inaugural, the mail has been pouring in as follows: "Dear Jimmy, if I had known that your first move would be to send Mondale out of the country, I would have voted for you." [*Laughter*]

THE PRESIDENT. Good luck to you. I am proud of you.

NOTE: The President spoke at 8:38 a.m. on the South Lawn of the White House.

Swearing-In Ceremony for Members of the Cabinet

Remarks at the Ceremony. January 23, 1977

We decided to forgo the "Ruffles and Flourishes" and "Hail to the Chief."

It is really a great pleasure for me to be here this afternoon on the first official and completely open ceremony to the press, to take a great step forward in what I hope will be a good administration for the American people. And that is a swearing in of a superb group of Cabinet officers and other leaders of our Nation.

My first very gratifying experience after I was nominated to be the Democratic candidate for President was to introduce to the country my choice for Vice President, Walter Mondale, and we set a standard of excellence there that I hope to maintain throughout my own administration. It would be hard to equal what Fritz Mondale has meant to me, but I believe I will be equally close to the Cabinet members and other leaders that will be sworn in this afternoon.

I want to thank the Congress for their close cooperation so far. We don't have a complete entourage this afternoon to accept the oath. I have always heard about the advise and consent role of the Congress—so far they have been a little stronger on the advice than they have on the consent. We will have three or four delayed ceremonies. I hope that there will be a very rapid move though toward completing our leadership group.

This afternoon, I would like to welcome in particular the friends and neigh-

bors and relatives of those who will share with me the responsibility for the top leadership positions. I thank you for coming to the White House.

I am very grateful to welcome to the stage as the first person a very fine and wonderful leader who has been an inspiration to the American people, Chief Justice Warren Burger.

And now, in order of seniority in the Cabinet and other leadership posts, I would like to welcome first of all Cyrus Vance, who is coming with his wife, Grace. Cy and I have spent a lot of time together in the last couple of years. I guess of all the Cabinet members who were recommended to me, he had closest to the most unanimous recommendation, and I am very grateful that Cy has come. Cy Vance as Secretary of State.

Next is the Secretary of the Treasury, who attended with Cy Vance and myself, yesterday morning, our first National Security Council meeting, Mike Blumenthal and Eileen. Mike has been the president of Bendix. He was not born in this country, but he came here as a young man via China, and he has risen to the top ranks of executive leadership because of his qualities. He is going to be the one to make sure we stay on a sound basis in making decisions on economics and finance. Mike, thank you very much.

The next man who has been strongly recommended, both for the position he will hold and also as a chief scientific adviser for the President—he is a man who has had exceptional leadership background as Secretary of the Air Force. He has just recently been a president of one of the finest technical schools in the country, I guess, second only to Georgia Tech, the California Institute of Technology. And I would like to ask Harold Brown to come forward with his wife, Colene. He will be Secretary of Defense.

I asked Harold to give me some recommendations on scientific adviser, by the way, and he gave me five recommendations, all of them physicists. He is going to be my physics adviser, and I am going to get someone else, I think, to help me in the other position.

Next, I guess of all the Cabinet members he is the one who has been closest to me in the past. He is a man whom I met at the beginning when I was elected Governor. We were elected at the same time. I have to say that he is the only Cabinet member I never had to hesitate at all about. He will be the next Secretary of the Interior. Cecil Andrus and his wife, Carol.

Although I feel close to all of them, I think the next one is the one with whom I have the deepest sense of mutual sympathy. He makes his living with a 600-acre farm. He has been the Member of Congress who serves furthest north in our country except for those who are from Alaska. He is a man who has worked hard all his life, manual labor. He knows the problems of the consumers in a very intimate way. He is from a great State that produced the Vice President. And it is Bob Bergland from Minnesota, and his wife, Helen.

As Secretary of Agriculture, he will do a superb job, and I am very grateful to him for being willing to serve.

The next will be Secretary of Commerce. This is a position that, as you know, has far-reaching effect on our own business community, our free enterprise system, and consumers. It also has a profound impact on the quality of our metropolitan areas.

When Fritz Mondale was preparing yesterday morning, with the National Security Council meeting, to make his foray throughout the world on trade, this Secretary of Commerce was at the National Security Council meeting. This is a Cabinet

officer whom I have already grown to love, and she and I had a very close and very friendly relationship when I first met her to interview her for this job. I believe she is the first woman who ever attended a National Security Council meeting as a full participant. And I am very grateful that she has been willing to leave the vice presidency of Duke University to come and be Secretary of Commerce. Juanita Kreps, and her husband, Clifton.

The next Secretary that I would like to introduce is one who has shown herself to be a very strong, able business executive. She is a superb attorney. She has been in the forefront of carving out a proper role for minority groups and for women, but all of her achievements have been made because of her own superb qualities. I feel very close to her, too, and am very grateful that Patricia Harris has decided to become our Secretary of Housing and Urban Development. She has come here with her husband, William. Patricia Harris.

The next man has been in the Congress in one of the most responsible positions there as chairman of the Budget Committee. And he was instrumental in evolving within the Congress a much more sound and businesslike way to handle budget and appropriations questions. When I met for the first time with the present Speaker of the House, I drove to the Capitol with him, and as we approached, he said that he had been in Congress more than 25 years and the best Congressman he had ever known in his life was Brock Adams. And I am very grateful to Brock Adams, a very close friend of mine, for being Secretary of Transportation. Brock Adams and his wife, Elizabeth.

The next appointee whom I will introduce has been either blessed or afflicted by having served with me 4 years in the past when I was Governor of Georgia. He is being appointed to a Cabinet double post, in spite of the fact he comes from my own

home State. And I am sure he will do a superb job in one of the most difficult positions within the Federal Government as Director of the Office of Management and Budget. He follows in the footsteps of several former Cabinet members who were promoted, in effect, into this extremely challenging job. And I am very grateful that my good friend, one of the closest friends I have in the world, Bert Lance, is going to take on that responsible position with his beautiful wife, La Belle.

The next person that I would like to introduce has already presented me with my first challenge and also with a partial response to it. Our Nation is perhaps the only developed nation in the world that doesn't have a comprehensive policy on energy.

It is a challenge to the American people that has for a long time been almost in a crisis stage, and the undetected nature of this crisis is rapidly growing more important to us all. And the frank facing of this challenge required, in my opinion, someone with superlative credentials, someone who is strong and aggressive, someone with a mind of his own, someone with a good background in both budget matters or energy matters, defense matters, and in the academic field.

I first met James Schlesinger when he had just returned from a trip to the Far East, to China. He helped me as I prepared for my second debate with President Ford. We formed an almost instant personal friendship. And I believe that his own stature as a leader will impress upon the consciousness of America the importance that we do attach to the challenge of the energy problem.

James Schlesinger will work very closely with me within the White House as an assistant. He will be in charge of energy policy, and I hope that we can create without much delay a new energy department,

at which time he will be head of that department.

James, I am thankful to you and hope you will come up now with your wife, Rachel.

The next man who I would like to introduce to you was selected for a Cabinet-level position in spite of the fact he is from Washington, D.C. And we have come to know each other over the last couple of years. As I have seen him on numerous occasions take a very complicated, very confusing, very combative discussion about economics and summarize in very clear terms the basic questions to be decided and give a practical answer to complicated questions. He is a man with whom I have a very close friendship already, and he will help our country to resolve one of its greatest challenges, and that is in economics where we can hold down inflation, put our people back to work, and at the same time give American people confidence in the tremendous strength that our Nation has.

I would like to ask now Charles Schultze to come forward with his wife, Rita.

Dr. Schultze will be the Chairman of the Council of Economic Advisers, and within the White House environment he will be my closest person in shaping basic economic policy.

The last person I would like to introduce to the audience and to the Nation is the one who, among all others, has helped me most to learn about foreign policy. He has written 8 or 10 books himself. He has been an incisive analyst of the international field. He will be my closest adviser in tying together our economics, foreign policy, and also defense matters. He will be my adviser for the National Security Council. He will put together the most intimate preparations for any kind of crisis that affects our Nation.

He is one who has caused a great deal of consternation already among the typesetters of our country. [*Laughter*] I would like to introduce to you Dr. Zbigniew Brzezinski, whose name I can spell and all my staff are now learning how, and I am very proud of Dr. Brzezinski and his wife, Muska.

Before Chief Justice Burger administers the oath of office to all these fine leaders, I would like to say that I made a commitment to the American people that I intend to honor. In fact, I intend to honor all my commitments. But one was to turn over the responsibilities of their Departments to the Cabinet officers themselves.

There will never be an instance, while I am President, when the members of the White House staff dominate or act in a superior position to the members of our Cabinet. When a directive is relayed from the White House to the members of the Cabinet, it will indeed come directly from me.

I believe in a Cabinet administration of our Government. And although the major decisions will be made ultimately by me as President, which is my constitutional prerogative and responsibility, the Secretaries will run their Departments. And this is the way it ought to be.

It puts a heavy responsibility on me, because this is a departure from previous policy. It also puts a heavy responsibility on them. And because I recognize this great challenge to them, I was particularly careful in my own selections. I am very proud of all of them.

Standing here now on the stage, with a few exceptions among the three or four who still wait to be confirmed by the Senate, you see the leadership of our Nation. And I feel quite confident that I can do a good job as President because of the superb quality of those who have

agreed to help me with those responsibilities.

And now I would like to ask Chief Justice Burger to administer the oath of office, following which all of you will be invited to meet with me and the Cabinet members and their families in the adjacent room.

Chief Justice Burger.

NOTE: The President spoke at 2:05 p.m. in the East Room at the White House. Chief Justice of the United States Warren E. Burger administered the oath of office.

Gasoline Decontrol

Announcement of Modification of Federal Energy Administration Regulations.
January 24, 1977

The President has today directed the Federal Energy Administration to rescind amendments to its regulations that could have exempted motor gasoline from FEA's price and allocation controls effective March 1.

As a result of the President's action, the gasoline decontrol proposal issued by the prior administration on January 19 is withdrawn from congressional consideration. FEA Acting Administrator Gorman C. Smith has so notified the President of the Senate and the Speaker of the House. Under the withdrawn amendments, gasoline decontrol would have become effective on March 1 if not disapproved by either House of Congress within 15 days of its submission.

President Carter does not by this withdrawal intend to imply any position on the ultimate merits or demerits of gasoline decontrol. Instead, he intends to conduct a review of these controls as an integral part of the development of an overall energy policy. Among other things, such a review will examine the prior administration's contention that competitive

market forces would restrain prices for motor gasoline below levels which would be permissible even if controls remained in effect.

In addition, by directing withdrawal of these amendments, the President hopes that the issue of gasoline decontrol can be examined under circumstances more conducive to careful consideration of the implications of an end to such controls. Time is urgently needed now both by the administration and the Congress to focus immediate attention on the present major shortages of natural gas and its substitute fuels. These shortages raise the possibility that adjustments in refinery runs may be necessary to provide additional supplies of these substitute fuels. This, in turn, could lead to impacts on the motor gasoline markets which could be effectively handled only with the maintenance of price and allocation controls over the near term.

The administration recognizes that there are significant problems with the existing control mechanism, but believes that a hastily considered action removing such controls might create far more serious problems.

Secretary of Health, Education, and Welfare

Remarks at the Swearing In of Joseph A. Califano, Jr. January 25, 1977

There are some members of the political family who know how to have a special deal just for themselves. [*Laughter*] Unfortunately, the Secretaries of State and Treasury and Defense and others had to combine their oaths of office and the news attention with other people, but Joe worked it out where he could have one of his own.

As some of you know, during the recent campaign Joe Califano was assigned a very important task to perform along with me and did a very superb job in dealing with the American family and how the impact of government in all of its forms impacts either beneficially or adversely on the basic family structure. It was the first speech that I made after my own nomination when I went to New Hampshire.

I think that his appointment as Secretary of HEW will be a very good place for him to demonstrate his sensitivity about this need.

I am very grateful to have Mr. and Mrs. Califano here and the other members of Joe's family. I think this indicates the sound base from which he has given me advice on the family. And I know the Califanos are very happy to see their son assured of steady employment, now that the Senate has confirmed him. [*Laughter*]

And I think that all of us recognize that one of the key policy planners and instigators of the Johnson years was Joe Califano, who had a deep commitment, which he still retains, of making government services available to those who quite often don't have a strong voice, don't have very much influence, and quite often are the most in need of a sensitive and compassionate government.

He is also a tough administrator, and I believe that the HEW Department will respond very well to this capability on his part.

So, I am very delighted today to introduce to the group—first of all, Justice Brennan has come to administer the oath, and my choice for Secretary of HEW and the Senate's choice for Secretary of HEW, Joe Califano, and his wife, Trudy.

NOTE: The President spoke at 10:04 a.m. in the Cabinet Room at the White House. Follow-

ing his remarks, Supreme Court Associate Justice William J. Brennan, Jr., administered the oath of office.

Secretary of State Vance's Trip to the Middle East

*Announcement of the Secretary's
Trip. January 25, 1977*

The President today announced that he has asked Secretary of State Cyrus Vance to visit certain Middle East countries in mid-February to convey to their leaders the importance the President attaches to making significant progress this year toward a just and lasting peace in the Middle East.

The President believes it is essential to have a firsthand understanding of the views of Middle Eastern leaders at the earliest possible time as the administration considers how it can most effectively contribute to the peace process.

Secretary Vance will also emphasize during his trip the value the President places on maintaining good bilateral relations with the states of the Middle East.

Secretary Vance will visit Israel, Egypt, Lebanon, Jordan, Syria, and Saudi Arabia.

Ambassador at Large and Special Representative of the President for the Law of the Sea Conference

*Nomination of Elliot L. Richardson, With a
Statement by the President. January 25, 1977*

The President, upon the advice of the Secretary of State, announced today the nomination of Elliot L. Richardson to serve as Ambassador at Large and as Spe-

cial Representative of the President for the Law of the Sea Conference.

The Law of the Sea Conference, which began officially in 1974, involves negotiations among more than 150 nations—virtually all of the nations of the world. Its purpose is to develop a Law of the Sea Treaty, to provide a stable legal framework for the governance of the world's oceans.

President Carter has previously demonstrated an interest in sea laws. In 1974, as Governor, he proposed and had adopted by the National Governors' Conference a resolution to send a representative to the Law of the Sea Conference in Caracas.

In announcing Elliot Richardson's appointment, President Carter noted: "The oceans comprise over two-thirds of the Earth's surface. But we have been slow to appreciate their increasing importance—the importance of their environmental integrity to our quality of life; their vast potential as a source of minerals, energy, and protein; and the essentiality of their freedom of use for the security and well-being of all nations.

"While there has been some progress toward the negotiation of a satisfactory treaty, many important issues remain unresolved. At stake are competing national interests in freedom of navigation and use of the seas, in ocean resource development, in the advancement of ocean science, and in environmental protection.

"The Secretary of State and I consider the Law of the Sea negotiations to be a very high priority. My nomination of Elliot Richardson, with his extensive experience and abilities, testifies to the importance I personally attach to achieving success in these negotiations.

"Elliot Richardson brings to this challenge a unique combination of legal and

international experience, including direct experience with the complex issues involved in Law of the Sea negotiations.

"I am confident that the United States will be most ably represented in these negotiations and hopeful that, with the good will of other nations, a treaty may be successfully negotiated to serve the interests of all mankind."

Selected biographical facts regarding Elliot L. Richardson are as follows:

Elliot Richardson's legal experience includes: editor, *Harvard Law Review*; partner in Boston law firm, Ropes Gray; United States attorney for the district of Massachusetts; Massachusetts attorney general; and United States Attorney General.

His international experience includes service as: legislative assistant to the chairman of the Senate Armed Services Committee; Under Secretary of State (in which capacity he chaired the NSC committee which had jurisdiction for Law of the Sea); Secretary of Defense; and Ambassador to the Court of St. James.

As Secretary of Commerce, Elliot Richardson took a special interest in the oceans. He worked to develop, enact, and implement the Coastal Zone Management Act Amendments of 1976—and the associated \$1.2 billion Coastal Energy Impact program—and worked with the State and Transportation Departments to implement the Fisheries Conservation and Management Act of 1976, known generally as the 200-mile limit bill. He advanced the argument for creation of a Cabinet Committee on Oceans.

Elliot Richardson is the only American to have served in four Cabinet positions. This appointment is his ninth Presidential appointment under four Presidents.

Attorney General of the United States

Remarks at the Swearing In of Griffin B. Bell. January 26, 1977

This is a great day in my own life and, I believe, a great day in the life of our Nation.

One of the most crucial appointments that a President can make is that of Attorney General, because here we have not a department of law, but a department of justice.

To the maximum degree possible, the Attorney General should personify what the President of the United States is—attitudes, philosophies, commitments—because here is an extension of the President's attempt to provide equality of opportunity and a sense of trust in the core of our American governmental institutions in Washington.

About 7 or 8 years ago, because of a chasm that developed between our own Government and many of our people, the doors of this building next door had to be locked. I don't doubt the need for it at the time. But it was a symbolic separation of both disaffected people and disadvantaged people from the core of justice. A few minutes ago, Griffin Bell opened those doors—and they are going to be kept open.

There may be times when we wish they were closed. There may be times when I as President wish that I was not quite so accessible to the news media and to the people of this country. But that's part of a democratic process. And I want to be sure that everything I do, everything Griffin Bell does, and everything all of you do is conducive to a restoration of trust and harmony, a sharing of responsi-

bility, and a sharing of opportunity in the greatest nation of all.

I want to congratulate Griffin Bell on his fine vote yesterday. I noticed in my engineering computations that he got 78 percent of the votes in the Senate. I only got a little over 50 percent as President. [Laughter]

I think this is a very good comparison between his experience and background and capability to perform this important job, compared to my own. We have a lot to learn, and we'll learn together.

I think all of you know that I have implicit trust in Judge Griffin Bell. And his performance in office, working closely with me, with the Supreme Court, with the Congress, with those throughout our Nation responsible for the administration of justice, will demonstrate again that what I said in Plains a month or two ago is true—that I have selected, and the Senate has now confirmed, a man who will not just be an adequate Attorney General but who will be a great Attorney General. I have no doubt about that prediction coming true.

I want to say this in closing: 24 years ago today, Warren Burger was given an oath of office here as an assistant to the Attorney General. He has demonstrated through his own sense of fairness and his intelligence and his administrative capability and his justified reputation that he deserves to be our top legal officer in this country. And I'm very grateful that our Chief Justice, Warren Burger, has come to administer the oath to our Attorney General.

Mr. Chief Justice, I appreciate your presence. It's an honor for us to be here with you. Thank you very much.

NOTE: The President spoke at 11:20 a.m. in the Great Hall at the Department of Justice.

Following his remarks, Chief Justice of the United States Warren E. Burger administered the oath of office.

Following the swearing-in ceremony, the President toured the Justice Department.

Natural Gas Legislation

Letter to the Speaker of the House and the President of the Senate. January 26, 1977

Dear Mr. Speaker: (Dear Mr. President:)

I am hereby transmitting the Emergency Natural Gas Act of 1977. This legislation is a simple, temporary measure to enable the government to cope with an unprecedented shortage of natural gas supplies. I want to emphasize that this legislation is not submitted as a substitute for developing a natural gas policy as a part of an overall energy policy, which our country so obviously lacks. We must, however, respond to the present emergency and I strongly urge that the Congress give this legislation its immediate attention.

As a result of record cold east of the Rocky Mountains this winter our country and our people are in trouble. Many natural gas systems have already largely depleted the storage fields from which they must draw to meet essential human needs if the cold weather persists. These shortages have affected pipelines unevenly, but those in the worst situation may not be able to maintain essential services to households and public health and safety institutions unless they are able to obtain supplies from other pipelines.

The natural gas pipelines and the Federal Power Commission are attempting to cope with this emergency, but both agree that existing laws may be inadequate to prevent further human suffering in February. The Federal Government lacks clear and effective authority to allocate

supplies needed to meet those needs. In addition, surplus gas may be available in the intrastate market that would not flow into interstate commerce under existing law.

This bill is designed to assure that American homes do not go cold while natural gas continues to be used for lower priority uses. However, the bill will not significantly alleviate the economic hardship from this year's natural gas shortage. Hopefully, the emergency sales provision will enlarge the supply of gas available for all interstate systems. But if cold weather persists, there may be little surplus gas that can flow from the producing states to the rest of the nation.

The severity of the present emergency will be significantly reduced if Americans respond to my request of January 21 to turn down their thermostats to 65° in the daytime and lower at night. Half of the shortage can be made up through such action, thereby decreasing unemployment and reducing the possibility that some American homes might be completely without heat this winter.

This conservation effort will not be enough, however, and temporary legislation must be put in place now. Because of the weather-sensitive nature of this supply situation, this emergency authority may not ultimately be used, or additional authority may be needed. However, this legislation is designed to meet present and foreseeable needs through this emergency period.

There are two basic provisions in this legislation.

First, it authorizes the President to re-allocate natural gas among interstate pipeline systems to assure that essential supplies to households and public health and safety institutions are maintained. This authority would expire on April 30, 1977.

Second, it authorizes emergency sales of intrastate natural gas to the interstate market through July 31, 1977 at prices that are fair and equitable, thereby ending legal uncertainties presently connected with such sales.

My Administration has developed this legislation after extensive consultation with the Congressional committees most directly involved. I believe there is no prudent alternative to this type of legislation to deal with the present shortage situation. I urge its immediate enactment by the Congress.

With best wishes,

JIMMY CARTER

NOTE: This is the text of identical letters addressed to the Honorable Thomas P. O'Neill, Jr., Speaker of the House of Representatives, and the Honorable Walter F. Mondale, President of the Senate.

Natural Gas Legislation

Remarks at a News Briefing on the Legislation. January 26, 1977

Hi, everybody. This afternoon I sent to Congress my request for the Emergency Natural Gas Act of 1977. I urged the Congress to act immediately because this month's shortage of natural gas has become a crisis. Everyone in the eastern two-thirds of our Nation realizes that this has been a winter of unprecedented severity. Temperatures far below normal have dangerously depleted our natural gas supplies.

Half the pipelines of our country have already curtailed shipments to the major industrial users. Four thousand plants are now closed. Four hundred thousand people have been laid off because of natural gas shortages. Shipments to homes have been curtailed by two major pipelines.

And many other homeowners are now threatened with that same prospect, and the forecast for the rest of the winter is for continuing extreme cold.

The effect of this winter's hardships will spread to all portions of our Nation, and continued layoffs of workers will seriously harm our chances for economic recovery on which we are working so hard.

This legislation, if passed, will permit me to allocate gas to critical areas of our country to meet threats to life and health and to property. The bill will also allow emergency sales so that pipelines which have a healthy reserve supply can transfer those supplies to pipelines that have a severe shortage.

But it is important to be frank. This bill will not end the shortages; it will not improve the weather; and it will not solve the unemployment problem. Its purpose is just to ensure that no portion of our country must go without essential services.

It will also mean somewhat higher prices, since a larger portion—perhaps 2 percent of the total—of the interstate supply will come from emergency sales. Prices will remain the same for the other 98 percent.

Nothing more clearly illustrates the serious consequences of our long delay in creating a comprehensive national energy policy than does this necessity for crisis legislation.

In addition to offering this emergency legislation to the Congress, I directed Dr. James Schlesinger, who will answer questions in a few minutes, to develop a comprehensive national energy policy for submission to the Congress at an early date.

There is one other step that we must take. I again ask every American to lower the thermostat settings in all homes and buildings to no more than 65 degrees during the daytime and to a much lower setting at night. This single step, if carried out by all our people, can eliminate half

the current shortage of natural gas and put thousands of Americans back to work.

I have turned the thermostat down in the White House and have ordered it reduced in all Government buildings. And I ask everyone in the country to cooperate so that no one will have to go without crucial heat.

Finally, I must say to you quite frankly that this is not a temporary request for conservation. Our energy problems will not be over next year or the year after. Further sacrifices in addition to lowering thermostats may well be necessary. But I believe this country is tough enough and strong enough to meet that challenge. And I ask all Americans to cooperate in minimizing the adverse effect on the lives of our people.

Thank you very much.

I would like to introduce now Dr. James Schlesinger, who is an assistant to me for energy measures. He will answer questions concerning this legislation and other questions concerning energy and energy policy.

Dr. Schlesinger.

NOTE: The President spoke at 3 p.m. to reporters assembled in the Briefing Room at the White House.

Washington Press Club Dinner

Remarks at the Annual Dinner Honoring New Members of Congress. January 26, 1977

Mrs. Carter—[laughter]—ladies and gentlemen, and Madam President:

So far I have enjoyed very much being in Washington. Many of the things I have heard about it have turned out to be true—[laughter]—I am sorry to say.

I had been anticipating the Inaugural ceremonies and parade for a long time. I could see the burst of glory that would

come to me at the conclusion of the ceremonies, and I could hardly wait. As we entered the limousine at the conclusion of the oath ceremony and got out on Constitution Avenue, and all of us very quietly left the limousine and I started walking down the highway and streets and could hear the vast crowd saying, "Look, look, look"—and I was feeling very good until they said, "There goes Billy's brother." [Laughter]

The next day, Mayor Washington, who was born about 20 miles from where I live, called and said he wanted to thank me for restoring the faith in his city by walking on the street unprotected and by getting my brother back to Plains. [Laughter]

I feel at home with these other new kids in town. I know that some of them have not been here before—Barbara Mikulski and Jim Guy Tucker and others. I remember that when I went to the Naval Academy, as a plebe I was a new kid then, too. And they used to try to make me sing "Marching Through Georgia." I never would do it. [Applause] Two months ago, nobody would have clapped. [Laughter]

I always got a paddling with a long wooden spoon. One advantage about being President is that you can watch Griffin Bell take the punishment. [Laughter]

I went over today to administer the oath of office in the Department of Justice, and we very ceremoniously swung open the tremendous steel door that had been locked since 1970. I made a little talk for the benefit of the news media about not separating the people from their access to justice and to let our people come in, even the demonstrators. And Griffin later said, "Governor, I know you want to be honest and always tell the truth." I said, "That is right." He said, "Well, the truth is that is not why I

opened the doors. I want to get out in a hurry if any of my problems evolve again." [Laughter]

Another thing I have in common with these people on the stage is that when we were all elected, we were all fuzzy on the issues—which is proven by the fact that we did get elected. [Laughter] There is an advantage in being a Presidential candidate. You have a much broader range of issues on which to be fuzzy. [Laughter]

I had a large staff in the transition period. I would have had much less trouble with some of my appointments had I been able to find them. I knew they were in Atlanta. They occupied a whole floor. They were trained very carefully by me on analyzing things and giving answers, and I never could find out exactly which floor they were on. [Laughter]

I will walk the straight and narrow path, Senator, between what is right and what is wrong.¹ And I will do the best I can to measure up to the qualities of these other leaders in this auditorium. I have heard that Washington was a place of contrast—this banquet tonight and prayer breakfast in the morning. [Laughter]

My staff is quite frank with me. I told them that I wanted to put on the image of a common man, someone who didn't have the accolades of the crowd and the homage paid to a strong and able leader. They said so far I have succeeded very well. [Laughter] I told them I wanted them to prepare a talk for me to make tonight that was funny, and they didn't get around to it. [Laughter]

One of the newcomers said on the way over here that when a President tells a joke, whether its is funny or not, people in Washington laugh. And my wife, just

as I walked in, said, "Yes, that is true with everybody except the press and the Congress." [Laughter]

So, you have proven it tonight. I thank you. We are partners together, and I hope we will do better in governing our country than we have in entertaining each other this evening. [Laughter]

Thank you very much.

[Following the President's remarks, Senator Robert C. Byrd spoke and then played three selections on his fiddle, concluding with the President's favorite hymn, "Amazing Grace." The President then resumed speaking as follows:]

First of all, I want to thank Senator Byrd for that beautiful, dedicated encore.

Before I leave, I thought you might be interested in knowing how the Vice President is doing. To be serious for a few minutes, I have gotten some very frequent calls from him. They have been fairly incoherent, unfortunately. [Laughter]

I thought for a couple of days it was some kind of a secret scrambler telephone, but I find out from some of his staff members that he has put a little too much emphasis on the social aspect of the trip. [Laughter]

There was one message that came through this afternoon that was not garbled, I am very glad to report to you. The State Department informed me about it, I think inadvertently. [Laughter]

Senator Mondale pointed out that he was traveling almost alone, without his wife Joan, that tonight would be his first of two evenings to be spent in Paris, that although he couldn't be a hundred percent in being faithful to the people he left behind, he would like to be loyal to me, and that he wanted to be very careful not to violate my own high standards of ethics and mortality. He give the State Department an urgent call for a copy of my Playboy interview. [Laughter]

¹ In remarks delivered earlier in the evening, Senator Daniel P. Moynihan had advised the President to "follow the straight and narrow path between right and wrong."

He will be home in about a week, Joan.
We will see him together.

Thank you very much.

NOTE: The President spoke at 9:20 p.m. in the Sheraton Hall Ballroom at the Sheraton-Park Hotel. In his opening remarks, he referred to Ellen Wadley, president of the Washington Press Club.

National Prayer Breakfast

*Remarks at the Annual
Breakfast. January 27, 1977*

Jim Wright's comments made me proud to be a brother with him, to be an American, to be a child of God. And I think what he said exemplifies the finest aspirations of those who are assembled here this morning.

Jim, I thank you for what your talk meant to me. The first time I came to this prayer breakfast was in 1967. One of the Christian attributes to which many have referred this morning is one that I had in great abundance then, more than I do now—and that's humility. I had just been defeated in my first campaign for Governor.

I thought, in response to some of the things Jim said, I would talk about humility this morning.

The first draft of my Inaugural speech did not include the reference to Micah's admonition about justice and mercy and humility. But I had chosen instead First [Second] Chronicles, 7:14, which Congressman Wright quoted this morning: "If my people who are called by my name shall humble themselves and pray and seek my face and turn from their wicked ways, then will I hear from Heaven and forgive their sins and heal their land."

When my staff members read the first draft of my speech they rose up in opposition to that verse. The second time I

wrote my Inaugural draft I had the same verse in it. And they came to me en masse and said, "The people will not understand that verse. It's as though you, being elected President, are condemning the other people of our country, putting yourself in the position of Solomon and saying that all Americans are wicked."

So, correctly or wrongly, I changed it to Micah. And I think this episode, which is true, is illustrative of the problem that we face. Sometimes we take for granted that an acknowledgment of sin, an acknowledgment of the need for humility permeates the consciousness of our people. But it doesn't. But if we know that we can have God's forgiveness as a person, I think as a nation it makes it much easier for us to say, "God, have mercy on me, a sinner," knowing that the only compensation for sin is condemnation. Then we just can't admit an error or a weakness or a degree of hatred or forgo pride. We as individuals—and we as a nation—insist that we are the strongest and the bravest and the wisest and the best. And in that attitude, we unconsciously, but in an all-pervasive way, cover up and fail to acknowledge our mistakes and in the process forgo an opportunity constantly to search for a better life or a better country.

Paul Tillich said that religion is a search for a closer relationship with God and our fellow man, and when we lose the inclination to search, to a great degree we lose our own religion.

As those of us who are Christians know, the most constantly repeated admonition from Christ was against pride. Sometimes it's easier for us to be humble as individuals than it is for us to admit that our Nation makes mistakes.

In effect, many of us worship our Nation. We politicians, we leaders, in that sometimes excessive degree of patriotism,

equate love of others with love of ourselves. We tend to say that, because I am a Congressman, because I am a Governor, because I am a Senator, because I am a Cabinet member, because I am President of the people, and because I love the people and because I represent them so well, then I can justify their love myself. We tend to take on for ourselves the attributes of the people we represent. But when the disciples struggled among themselves for superiority in God's eyes, Jesus said, "Whosoever would be chief among you, let him be His servant." And although we use the phrase, sometimes glibly, "public servant," it's hard for us to translate the concept of a President of the United States into genuine servant.

Another theologian that I read very often, who could penetrate the pride of a nation in the most effective way in trying to analyze what democracy was, said a kind of prideful thing. But I think it brings to us a consciousness of our own capability. He said: "Man's capacity for justice makes democracy possible, but man's capacity for injustice make democracy necessary."

If we, as leaders of our Nation, can search out and extract and discern and proclaim a new spirit, derived not from accumulated goodness or badness of people, which is only equal to individual goodness or badness—not even to the noble concept of our Nation, which is superlative, without doubt—but from the ultimate source of goodness and kindness and humility and love—and that's from God—then we can indeed be good leaders and servants. We can indeed be strong enough and sure enough to admit our sinfulness and our mistakes. We can indeed be constantly searching for a way to rectify our errors and let our Nation exemplify what we as individuals ought to be in the eyes of God. But that's a hard thing to do.

One of the books that made a great impression on me was "The Ugly American," written a number of years ago, about people from our own country who, in a sense of unwarranted superiority, would travel around the world and despise others in an ostentatious way because they were not Americans.

I haven't traveled as much as I would like—10 or 12 foreign countries. But I've seen in my own travels a respect of us, a respect for our Nation because of the same vision of our forefathers that has inspired us, but at the same time, quite often a deep sense of disappointment that we don't live up to those original hopes and expectations and ideals.

Not too long ago I was in South America with my wife, and we had a chance to learn at first hand about the deep sense of religion there. We saw the impact of our own missionaries, when people could speak fluent English because missionaries have been there. And an elevator operator in Manaus, Brazil, and I visited the equivalent of their Speaker of the House, and that evening in his home we spent time on our knees worshipping the same God.

I preached one evening in a church in Rio de Janeiro, and a couple of years later my wife and I were in what's thought to be the tomb of Christ, by ourselves, and a woman came up behind me and looked at me in a strange way and said, "Don't I know you from somewhere?" I said, "No, ma'am, I don't think so." She said, "I think you preached in my husband's church in Rio." It was the pastor's wife.

A sense of communion that we can have under God throughout the world ought to convince us that we are not superior, that we ought constantly to search out national and human individual consciousness and strive to be bet-

ter, which doesn't mean more powerful and autocratic, but more filled with love and understanding and compassion and humaneness and humility.

But in the last week, my wife and I and Vice President Mondale and Joan have shaken hands with literally thousands of people—Members of Congress and the diplomatic corps, and people who worked with us in the campaign, and distinguished visitors from around—the last receiving line we met was of the military officers of our country, from the Chairman of the Joint Chiefs of Staff down through a very large representative group of enlisted persons.

And afterwards, one of the news people who had their cameras focused on us all the time said, "Have you noticed any difference among the receiving line groups?" And I said, "Yes, I have, a very strange difference. My wife and I both noticed it. A tremendous and startling proportion of the military people, when they passed by me, said, 'God be with you. We remember you in our prayers'—much more from the military, the symbol of our Nation's strength, than from any other group, all fine people."

So, a search for peace, I believe, can only be successful if we recognize the commonality of the aspirations of human beings throughout the world and if we remember that cumulative humility ought never to be equated to dominant national pride.

Thank you.

NOTE: The President spoke at 9:09 a.m. in the International Ballroom at the Washington Hilton Hotel. In his opening remarks, he referred to Representative James C. Wright, Jr., of Texas.

The breakfast was sponsored by the United States Senate and House prayer breakfast groups.

Secretary of Labor

*Remarks at the Swearing In of
F. Ray Marshall. January 27, 1977*

The Chief Justice and I are getting to be old friends. We've done our Cabinet ceremonies in sequence, which has given me a very fine opportunity to participate on several occasions instead of just one.

As I said to the last group here, Ray, you have a very good judgment about publicity, wanting to be the only one, by yourself rather than as a group. [*Laughter*]

Ray has achieved a notable position for being the last Cabinet member to be confirmed. And I think, as Griffin Bell did yesterday in symbolizing his own administration by opening the steel doors, you can use a Bible verse that "The last shall be first." That's typical of what the Labor Department has to do.

I was quite interested in the attitude and competence and general thrust of the leader of the Labor Department.

One of the major responsibilities that I shall have as President, that the whole Nation has as a government, is to put our people back to work. I wanted someone who not only was a theoretician or a distinguished economist—which Ray Marshall is certainly capable of exhibiting—but I also wanted somebody who knows in practical terms the impact of unemployment on an individual human being or an individual family in our country.

Ray Marshall is the kind of person who knows about displaced persons. He is someone who knows at first hand about the minority groups. He is someone who knows at first hand about those who come into our country as undocumented workers, their problems and the problems that they create. He is someone who walks the streets and who visits con-

struction sites in workclothes and with brogans on his feet.

He is someone who goes into a community ahead of time and tries to discern the sometimes limited employment capabilities of those who are without work and then in a very prescient way match that person with a future job potential.

He is someone who understands the proper interrelationship which ought to exist, and which does not now exist, between the graduates or potential graduates of colleges and high schools and vocational training programs, and jobs that wait to be filled, who can bridge the gap between the educational process in all its phases and the employment opportunities that confront our Nation.

He is someone who understands the problems of the young and the problems of the old. And he is also someone who has a special knowledge of the needs of the veterans of the recent war.

At noon today, the Secretary of Labor, Ray Marshall, will give the press a briefing on some special considerations that are important to us in the economic stimulation package which will address the unmet needs of the Vietnamese war veterans.

And I think that because of all these indications, that I've made in a fumbling way, of his own sensitivity and the humane commitment that he has to making the Department of Labor effective in its most noble purposes, he measures up in every respect in a superb degree.

I'm very proud that Ray Marshall has agreed to be Secretary of Labor. He's a man who will earn, I'm sure, the admiration and appreciation of our country.

At this time, I would like to welcome again, to participate in these important ceremonies, the Chief Justice of the United States, the Honorable Warren Burger.

Thank you very much, Mr. Chief Justice.

NOTE: The President spoke at 11:05 a.m. in the Oval Office at the White House. Following his remarks, Chief Justice of the United States Warren E. Burger administered the oath of office.

West Chester, Pennsylvania, Students

*Question-and-Answer Session With
Students From Stetson Junior High
School. January 27, 1977*

THE PRESIDENT. Hello, everybody. How many of you would like to be President someday? Raise your hands. Anybody? Okay, very good, very good. Well, when I was your age, I never had thought about it. At that time, I was planning to be a Naval officer all my life.

I know that this is an exciting time for you to come to our Nation's Capital, particularly less than a week after the Inauguration ceremonies. And I'm very grateful you have chosen to come to the White House to see me. This is the first group, by the way, that I've had to come to visit with me since I've been President. And I'm very glad it turned out to be you from a junior high school—Stetson, is that correct?

Have any of you ever heard of Jamie Wyeth? Well, he's one of my good friends, and his father and his grandfather, as you know, have done a great deal of painting very near where you live.

This is a home that belongs to you as it does to me. I and my family, my three sons, their wives, will be here a great deal. Two of my sons and their wives will be living here. We expect another grandchild to be born here in the first week in March. And my little girl, Amy, is 9 years

old. She's in the fourth grade and goes to a public school near here.

I haven't been all over the White House yet; I haven't had a chance to see it. So you perhaps, know more about it than I. I haven't even been in the East Wing at all. But it's a good, pleasant place to work, and I am very glad to welcome you here to visit with me.

How long will you be in Washington, do you know? Just today? And what have you had a chance to visit so far? You can spend a whole week just in the Smithsonian. That is great.

Well, I want to welcome you here. Does anybody have a question or two?

B-1 BOMBER

Q. Are you going to cut funds for the B-1 bomber and other military expenditures?

THE PRESIDENT. I don't know yet. I had scheduled this morning—we've already had it—a National Security Council meeting with myself, the head of the Defense Department, the number one military officer in the Nation—General George Brown—the Secretary of State, and my special adviser on national security affairs.

The B-1 bomber is one of those items, of course, that we will have to consider, along with the cruise missiles and a new kind of intercontinental ballistic missile.

My own hope as President is to explore every possible way to work with the Soviet Union and with other potential enemies of ours, who at this point seem to be our friends, to cut down dependence on weapons of all kinds. And I would like for our Nation to take the leadership role.

But before I make a decision on the B-1 bomber, I will have to know more about its capability, its cost, what we have in the way of other weapons systems. And also, I think, over a few months, after my own Secretary of State meets with the

leaders in Russia and after, later on this year, I meet with Mr. Brezhnev—who's the head of the Soviet Union Government—at that point, I can see how much they are willing to cut back on their defense capabilities.

I hope that the Soviet Union and the United States can take the leadership among all nations of the world to cut down dependence on weapons systems—atomic weapons systems and new systems like the B-1.

But I have not yet decided what to do about the B-1. I will probably decide later on this spring.

NATURAL GAS

Q. What are you going to do about the natural gas shortage?

THE PRESIDENT. We now have, as you know, the most severe winter in the history of our country, so far as I know.

I was informed by the Senator from Maryland, yesterday, that the ice in some of the little inlets around the Chesapeake Bay area is 24 inches thick. They've never seen it before, and fishermen's boats are being crushed, and a lot of the docks are being destroyed. The fishermen are out of work. So I gave a special allotment of your tax moneys to them to help them have money to buy food.

We have submitted to the Congress a special emergency legislation—that I hope the Congress will pass very quickly—that lets me have the authority to take natural gas from areas of our country where there is a lot of it and distribute it very quickly to other areas of the country where there is not very much of it. Under the present law, the President does not have this authority.

It also would give the gas companies the right to sell additional natural gas at a higher price. Now we have a very peculiar law that says that if you sell gas within the State where the gas comes from, you can

sell it for any price you want; if you ship it across the State line, the price of the gas is very low.

Well, there are advantages both ways. So, in a case of emergency like we have now, I'm asking the Congress to let me authorize the shipment of natural gas across State lines at a higher price. That would be about 2 percent of the total natural gas.

And the last thing I'm doing is to ask everyone to cut down very strictly on the temperatures within homes. The whole White House is maintained at a temperature of 65 degrees. When you get a couple hundred people in a small room like this, the temperature goes up. But every thermostat in the White House, every thermostat in all Government buildings in this country are now set at 65 degrees, which is about 10 degrees lower. And if everybody will do that in private homes as well, and even cut back a little more at night, then that will make up half the shortage of natural gas—just that one thing.

Now, I want to make one closing statement about that. This is not a temporary thing. It's good for everybody in our country to get accustomed to wearing a pretty good, heavy sweater inside the home, because it's not going to be any better next winter or the following winter or the following winter.

We're running out of natural gas and oil. We only have enough to last 25 or 30 years. And it's going to mean that we are going to have to do without things we've done with in the past, and we're going to all have to make some small sacrifices—hold down speed limits, have smaller, more efficient automobiles, insulate homes better, cut down on temperature, and do more walking instead of riding. But those things will be coming to us in a very heavy way in the future.

But those three things right now are being done by the Government and by me

personally and by you to help alleviate the natural gas shortage. It's serious. We have about 400,000 people out of work because of natural gas shortage, and I think about 4,000 factories are shut down. It's very serious.

One more question.

OIL TANKERS

Q. Taking the fuel crisis a step further, have you done anything to find out what has happened to all the tankers that have been disappearing—all the oil tankers? There is an awful lot of oil that seems to be wasted.

THE PRESIDENT. The ones that are sinking?

Q. Sinking, disappearing, hitting things, who knows what else?

THE PRESIDENT. Well, I think that we've only got one ship that's been completely lost, and they found debris from it in the North Atlantic, so undoubtedly it sank during a storm.

I think in the past we've been too lenient about letting unseaworthy ships come into our ports. As you know, we are very eager to get oil brought into our country. And quite often, when a ship is new and very well maintained, it flies an American flag. Later on, when it has trouble meeting our very strict standards, it shifts to another government—very cheaply, by the way. And although it might be owned by American people, it flies another flag, and the quality of that ship, its seaworthiness goes down. I personally would favor a stricter standard of ship quality maintained by all nations on an equal basis. We are planning to move in that direction.

I might say that this is just one tiny part, along with the natural gas shortage, of the overall energy problem. We've never had in this country what we call a comprehensive energy policy, so that I and you and your teachers and Governors and the Congress and business leaders and

others could know what we hope to achieve at the end of a year, 5 years, 20 years, in natural gas, oil, coal, atomic energy, solar energy, conservation, imports, exports, prices, ships, and so forth.

By the end of April—we have a deadline date set for ourselves of April 20—Dr. James Schlesinger and I and many others will come forward for the first time with a national energy policy. And we will be addressing that kind of question that you just raised.

I've got to go back. I've got another conference over in my Oval Office.

Let me say in closing, I'm very glad that you came. The questions that you asked are equal in quality and difficulty to any that I get from any group.

As you probably know, I've always treated young people as adults. I've never been disappointed. In Georgia, we have had 18-year-old voting for more than 35 years. We put it into effect back in the forties. And I would hope that we could pass a law in this country which would not require any registration at all, so that whenever an American citizen reached the age of 18, that you would be automatically registered to vote. This is something that I'm going to propose to Congress, and I hope you will help me get it passed.

I hope that you will not only just enjoy the visit of beautiful places like the White House and Smithsonian Institution and looking at the Washington Monument, but that you will recognize what our Nation is—its failures and its shortcomings and its weaknesses and mistakes, plus its tremendous potential—and invest at least part of your own life in making our country what it ought to be.

I'm going to do the best I can. I've got a lot to learn, and I'm going to welcome hearing from you and from your parents and others. This is a great opportunity for me to have a chance to meet with you.

Good luck to all of you. Thank you for coming.

NOTE: The President spoke at 1:33 p.m. in the East Room at the White House.

Digest of Other White House Announcements

The following listing includes the President's daily schedule and other items of general interest as announced by the White House Press Office during the period covered by this issue. Events and announcements printed elsewhere in the issue are not included.

January 24

The President met at the White House with:

—Zbigniew Brzezinski, Assistant to the President for National Security Affairs;

—the Cabinet.

The President announced the following appointments:

BARRY JAGODA as Special Assistant to the President for Media and Public Affairs;

JAMES FALLOWS as Chief Speechwriter to the President.

The President announced that door-to-door limousine service for White House staff members has been terminated. The White House will continue to operate a limited courier service for trips during the business day which will be available only for work-related trips.

Vice President Walter F. Mondale telephoned the President from Brussels, Belgium, to discuss the progress of his trip to Europe and Japan.

The White House announced that President José López Portillo of the United Mexican States has accepted the President's invitation to make a state visit to the United States. President López Portillo will be in Washington on February 14 and 15.

Administration of Jimmy Carter, 1977

The White House announced that Prime Minister Pierre Elliott Trudeau of Canada has accepted the President's invitation to pay an official visit to Washington on February 21 and 22.

January 25

The President met at the White House with:

- Dr. Brzezinski;
- the Democratic congressional leadership to discuss the economic stimulus package, reorganization legislation, and energy legislation.

The Vice President again telephoned the President to discuss his trip.

January 26

The President met at the White House with:

- George Meany, president, and J. Lane Kirkland, secretary-treasurer, AFL-CIO;
- Dr. Brzezinski;
- Andrew J. Young, U.S. Ambassador-designate to the United Nations;
- Sir Peter Ramsbotham, British Ambassador to the United States.

The President declared a major disaster for the State of Maryland as a result of ice conditions in the Chesapeake Bay region beginning about January 1, 1977.

The President declared an emergency for the State of Virginia as a result of ice conditions in the Chesapeake Bay region and the Atlantic Coast of Virginia beginning about January 1, 1977, which caused extensive public and private property damage.

January 27

The President met at the White House with:

- Dr. Brzezinski;
- the National Security Council;
- Secretary of State Cyrus Vance and top-level officials of the Department;
- Secretary of the Treasury W. Michael Blumenthal and top-level officials of the Department;

—Secretary of Transportation Brock Adams and top-level officials of the Department.

January 28

The President met at the White House with:

- Dr. Brzezinski;
- Representative Al Ullman, chairman of the House Ways and Means Committee, Bert Lance, Director, and Stock Coleman, Special Assistant to the Director, Office of Management and Budget, Charles L. Schultze, Chairman of the Council of Economic Advisers, and Frank B. Moore, Assistant to the President for Congressional Liaison, to discuss the economic stimulus package under consideration in the Congress;
- Jack Dunn, international chaplain of Civitan International;
- Gov. and Mrs. Dolph Briscoe of Texas and Harry McAdams, director of the State of Texas office of State-Federal relations, to discuss energy and natural gas problems and the need for economic programs more responsive to the needs of the poor;
- Dr. Brzezinski, Secretary Vance, and E. Henry Knoche, Acting Director of Central Intelligence;
- Edmund G. Brown, former Governor of California.

NOMINATIONS SUBMITTED TO THE SENATE

The following list does not include promotions of members of the Uniformed Services, nominations to the Service Academies, or nominations of Foreign Service officers.

Submitted January 28, 1977

CHARLES WILLIAM DUNCAN, JR., of Texas, to be a Deputy Secretary of Defense.

CHECKLIST OF WHITE HOUSE PRESS RELEASES

The following releases of the Office of the White House Press Secretary, distributed

Administration of Jimmy Carter, 1977

CHECKLIST—Continued

during the period covered by this issue, are not included in the issue.

Released January 25, 1977

Remarks: on Government actions to deal with the natural gas shortage emergency—by Press Secretary Jody Powell (as transcribed from his daily news conference at the White House)

Released January 26, 1977

News conference: on the President's natural gas legislation—by Assistant to the President James R. Schlesinger

CHECKLIST—Continued

Released January 27, 1977

Statement: the President's initiatives for the employment of Vietnam era veterans—by Secretary of Labor F. Ray Marshall

News conference: on the President's initiatives for the employment of Vietnam era veterans—by Secretary of Labor F. Ray Marshall

**ACTS APPROVED BY
THE PRESIDENT**

NOTE: No acts approved by the President were received by the Office of the Federal Register during the period covered by this issue.

PRESIDENTIAL DOCUMENTS

Week Ending Friday, February 4, 1977

International Clergy Week, 1977

Proclamation 4484. January 28, 1977

*By the President of the United States
of America*

A Proclamation

In a civilization marred by disputes and conflicts, the ministers of God, representing all faiths, help lead the human family to an understanding of His love and His peace. Clergymen of all denominations point the way to a richer, more fulfilling life through higher moral standards.

The clergy inspire all of us to hold firm to what is right—against what is wrong. They call upon us to practice charity and compassion. They bring us together and nearer to our Creator.

NOW, THEREFORE, I, JIMMY CARTER, President of the United States of America, in recognition of the spiritual and social contributions of the clergy in our Country and throughout the world, do hereby proclaim the week beginning January 30, 1977, as International Clergy Week in the United States. I urge all our people to honor these servants of God and man through appropriate activities and ceremonies.

IN WITNESS WHEREOF, I have hereunto set my hand this twenty-eighth day

of January in the year of our Lord nineteen hundred seventy-seven, and of the Independence of the United States of America the two hundred and first.

JIMMY CARTER

[Filed with the Office of the Federal Register,
1:28 p.m., February 1, 1977]

NOTE: The proclamation was not issued in the form of a White House press release.

Ambassador-Designate Andrew Young's Trip to Africa

*Designation as United States Representative
at Celebrations in Tanzania and
Nigeria. January 29, 1977*

The President announced today that U.S. Ambassador-designate to the United Nations Andrew Young will represent the United States at celebrations in Tanzania and Nigeria during the next 10 days. The Ambassador-designate will attend the 20th anniversary celebration of the founding of Zanzibar's Afro-Shirazi Party on February 5. This is also the date of the merger of the Afro-Shirazi Party and the mainland Tanganyika African National Union (TANU) and the 10th anniversary of Tanzania's Arusha Declaration of Socialism and Self-Reliance.

In Nigeria, Ambassador-designate Young will attend portions of the Second World Black and African Festival of Arts and Culture in Lagos and Kaduna, on February 8 and 9. Ambassador Young will leave the United States on February 1 and return February 11.

Ambassador-designate Young plans to meet with the leaders of Tanzania and Nigeria and other African leaders at the celebrations to hear their views on African problems and U.S.-African cooperation at the United Nations.

Ambassador-designate Young will be accompanied by his assistant, Stoney Cooks, and Dennis Leogh, Deputy Director of the Office of Southern African Affairs in the State Department.

Mr. Young, who was confirmed by the Senate on January 26, will be sworn in on Sunday, January 30, in ceremonies in the East Room.

The Energy Shortage

Remarks at a Meeting With the Cabinet. January 29, 1977

THE PRESIDENT. Good afternoon, everybody. I'm sorry to have to interrupt your weekend, but I've been getting an increasing number of very serious reports about the impact of the energy shortage and the weather on the different States in our country.

We have 11 States that I believe are in some degree of crisis. Six of them are because of the recent blizzard—the weather, snow, extreme cold—and all of them, to some degree, with a severe energy shortage. We have between 8,000 and 8,500 factories that have been closed down already, and this has put out of work about a half million people. That's the best estimate we can get.

I've asked all the Governors in these 11 States already—by telephone and by telegram—to give me an immediate assessment of the degree of severity of the problem in their own State so we can accumulate information, see what uniformity of problems exist, and try to get regional approaches to the problem.

As you know, we've already introduced emergency legislation in the Congress. There might be some few amendments to that legislation necessary. For instance, we would like to shift to perhaps a 4-day workweek with 10 hours per day, but there are legal prohibitions against this now. We could save a great deal of fuel both in Government buildings and also in commercial buildings if we could just heat the buildings 4 days a week instead of 5 days a week. But so far, we are prevented from doing that without extraordinary extra cost. And I think there is a legal prohibition; we're investigating that now.

I would like very much to have as many of the commercial establishments as possible shift away from the use of natural gas and toward the use of either oil or coal, and to modify their own workweek arrangements so that they can minimize the use of natural gas.

I'm going to declare New York and Pennsylvania, under the Federal Disaster Relief Act, eligible for emergency assistance immediately because of the snow and ice and the extreme cold. I have got requests from other States for emergency declarations, and we are processing those now. But I believe this is important for us to do this immediately.

I'd like for all the Cabinet members to be quite innovative in assessing what your own Departments can do to help with these problems, even before you are asked. I've asked Jack Watson to coordinate the entire effort, so you can work through him.

As you know, the Federal energy agency under Mr. O'Leary, working under Dr. Schlesinger, is already working, also very closely with the different State energy agencies and State officials, and we are trying to allocate as best we can under Federal laws, dwindling supplies of fuel.

The Agriculture Department is very deeply involved in some of the States. Bob Bergland is going down to Florida—Monday, I believe, aren't you, Bob?—to assess their problem there. And in addition to that, there are personnel that you have on your payrolls that might be made available to Governors. For instance, forestry personnel and others who are already in the field can very well serve in times of searching the roads. I understand we've already found people who have frozen in automobiles that couldn't escape. Bob, being from northern Minnesota, is capable of assessing how best to handle people who are isolated by snowstorms.

The Labor Department—I would like to assess the impact of unemployment, to make sure that unemployment compensation is made available to those who don't ordinarily ever apply for unemployment compensation. This would help them a great deal.

The HEW Department, in all its many facets, can help with emergency medical supplies and the impact on the educational process, Joe [Joseph A. Califano, Jr., Secretary of Health, Education, and Welfare], where we've had to shut down schools and also, obviously, with low-income Americans.

Joe Aragon, here, who is the new head of the community services agency, is assessing, along with some of your other departments, some way to get emergency financial relief to very poor families who've had to spend 200 or 300 extra dollars already for fuel supplies. And this

will be a multidepartmental responsibility.

The Department of Transportation, obviously, has a wide range of responsibilities. I think the States can fairly well handle the highway system, Brock [Brockman Adams, Secretary of Transportation], but on the waterways there might be things that you can help with there. And the Coast Guard might give us some advice. We've got a number of barges in different places around the transportation system that have large supplies of fuel that are now having difficulty in discharging. You might try to assess the severity of that problem, and if the barges can reach alternative port landings, help them arrange rail transportation for shorter distances. I think one barge can carry as much as maybe five or six freight trains, and there might be some way that you could just assess the problem in working with the Governors.

Housing and Urban Development, of course, manages the Federal Disaster Assistance Administration. And you might tell your people, Pat [Patricia Roberts Harris, Secretary of Housing and Urban Development], to expedite the processing of those emergency requests, and I will try to do the same thing here at my end.

I intend to sign the emergency request for Florida Monday, and signed one for Colorado yesterday. And we want to be sure that the administration of these funds is reasonable and also limited in time so that they don't extend beyond the actual need.

OMB will coordinate and track the multiagency efforts, working directly with Jack Watson. And they are the agency that in the past—like in the major disasters like Hurricane Agnes—who did do all the coordination work among the many departments involved. Bert [Thomas Bertram Lance, Director of the Office of Man-

agement and Budget] will take care of that.

The Commerce Department is a major avenue between us and the business community. And to the extent that we can encourage all the business leaders to cut down thermostats, to change workweeks, to shift to alternate kinds of fuel, they can work with the Federal Power Commission and others in assisting with that effort.

The Defense Department, Harold [Harold Brown, Secretary of Defense], with the Army and the Corps of Engineers, with coordination between reserve units and also the National Guard, can just offer your services to Governors. I know they've got their hands full now. And you might just take the initiative in having someone call each Governor and say, "What can we do to help you?" There are only 11 States involved, and it wouldn't take very long to do that.

Interior obviously has a great deal of resources available to it—the Fish and Wildlife Service, recreation personnel, Bureau of Outdoor Recreation personnel, national park systems. Cecil [Cecil Andrus, Secretary of the Interior], in isolated areas your people are very conversant with how to travel about, and they might make themselves available to Governors who never had this in the past.

I would like to form kind of an executive committee to work directly under Jack Watson and with Bert Lance. And that group would be Jack Watson, representing me, Dr. Schlesinger, concerning energy matters, the FDAA, working under Pat, OMB, Labor, and Commerce. And then the rest of you all can contribute to that group and also work directly with the Governors involved.

The last point is that I don't want anybody to be unduly alarmed. I'd like for the whole process to be done carefully, thoroughly, and methodically, and coor-

dinate it through Jack Watson here in my office. We will try to stay available, and I will be maintaining personal contact with the Governors either through Jack Watson or myself. But I want them to know—and all the people in these States to know—that we are available to help them, that we're not waiting to be begged, that we're taking the initiative to meet them more than half way.

I've just outlined in very quick terms some of the things that are illustrative that we can do to help. But I'd like for all of you to take the initiative and call your parallel cabinet officer in the individual States—it would only require 11 phone calls—and say, "What can we do to help you?" And let's make sure that there is a minimum adverse effect on our people.

If anybody has any questions or suggestions that might help the whole group, I would be glad to have them now. And then, when I leave, I'd like to let Jim Schlesinger preside for a more thorough discussion. Do any of the Cabinet members have a question?

Pat?

SECRETARY HARRIS. Mr. President, the policy development and research people at HUD are going to be releasing suggestions for ways in which citizens can cope with this problem, either Monday or Tuesday. So we're looking into this already.

THE PRESIDENT. I think, although we don't want to preempt anybody acting on your own, to the extent that we can coordinate public statements, it would help, instead of getting six or eight statements all during the day, it would be easier for you to put the statements together and just come over here to the White House, and, Pat, if you want to make a statement, just make it to the national press here. I think it might be better than having groups of reporters run to different places in Washington. Why don't you all,

at least temporarily, utilize the briefing room here? And then the press will know that if you, Pat, have a statement to make, that you will come over here to make it. And I think just a half-hour notice would be enough for Jody to make the announcement.

Anybody else have anything? I'm going to leave and, Jim, if you would just kind of outline some of the things that you outlined to me and just have a brief conversation and then, if you need me, I will be available over in my office.

REPORTER. Mr. Schlesinger, can you tell us where this new gas has been located, and is it going to move or not?

MR. SCHLESINGER. The first question, I think, was the 11 States. And I should point out that the list of the States changes every day, depending upon weather conditions, supply availability. But the latest list that we have from the FPC [Federal Power Commission] are Georgia, Illinois, Indiana, Kentucky, New York, Ohio, Pennsylvania, South Carolina, Tennessee, Virginia, and West Virginia. The States that are suffering from the severity of weather are a belt, basically, from Illinois through New York State—Illinois, Indiana, Ohio, West Virginia, Pennsylvania, and New York.

With respect to gas supplies, I think that there is an understanding in the industry about which pipelines have relatively abundant supplies. And assuming that we get the passage of the President's emergency natural gas bill, those supplies will be able to flow. There are also some supplies that could flow—are available today and could flow over intrastate lines if we had adequate legislative authority, and we are looking into arrangements by which we can provide that legislative authority.

NOTE: The President spoke at 4:45 p.m. in the Cabinet Room at the White House. White House correspondents and photographers were

present during this portion of the Cabinet meeting.

Natural Gas Emergency

Text of a Telegram to the Governors of 12 States. January 29, 1977

I am deeply concerned about the human suffering and economic problems being caused by the energy shortages.

To help deal with these problems, I would appreciate your providing me specific information on energy related problems in your state, and your views as to how these problems could be mitigated or resolved. I have asked Jack Watson, Secretary to the Cabinet and the Assistant to the President for Intergovernmental Relations, to coordinate the efforts of an interagency group that will collect such information and oversee the federal response to this serious problem.

Please telegraph your response att: Jack Watson/Coordinating Group/White House, D.C.

JIMMY CARTER

NOTE: This is the text of identical telegrams sent to the Governors of Georgia, Illinois, Indiana, Kentucky, New Jersey, New York, Ohio, Pennsylvania, South Carolina, Tennessee, Virginia, and West Virginia. The text of the telegram was made available by the White House Press Office on January 30. It was not issued in the form of a White House press release.

The Energy Shortage

Remarks and a Question-and-Answer Session at the Westinghouse Plant in Pittsburgh, Pennsylvania. January 30, 1977

THE PRESIDENT. I think the reason for my being here is exactly your reason for being here—to keep this Westinghouse Plant open, productive, with an assur-

ance of future capacity to meet our Nation's needs in a very crucial industry, and to give the people of our country some feeling of assurance that the Federal Government mechanism, working with State and local governments, private industry, can deal with an energy shortage brought about in a crisis stage by very unusual weather—which might be more usual in the future—but to emphasize as strongly as I can that this now temporary circumstance is going to be permanent.

THE ENERGY SITUATION

Our country—in spite of fine efforts like in this plant, where the lighting load has been cut down 40 percent and where energy conservation measures have been instituted—our country still wastes more energy that could be saved than the total amount we import.

We now have in Pennsylvania alone, about 400,000 people unemployed before the energy crisis came. Because of the heavy snows and extremely cold weather, we've got, already, an additional 90,000 people out of work. And Governor Shapp has just completed an analysis—and we've confirmed the accuracy of it—showing that there are 325,000 more people who are still on their jobs in plants that depend on heavy supplies of natural gas and other scarce energy materials, and their jobs are all in danger.

Now, we have introduced emergency legislation in the Congress. I hope that legislation will pass either Monday or Tuesday. We have got several Members of Congress here with me this morning, and they have pledged their support for this legislation. But emergency legislation passed in the midst of a crisis is not what our Nation needs. We are the only developed country in the world that doesn't have a comprehensive, long-range energy policy that's predictable and well conceived that all of us can depend upon.

Dr. James Schlesinger works directly with me in the White House as an Assistant to the President. He is responsible for the evolution, before April 20, of a comprehensive energy policy. We should have had it years ago, and we will have it this spring.

But in the meantime, the American people have got to realize that we've got a serious problem on our hands.

We flew here from Washington so I could see the countryside, to observe the status of the rivers. I think the Monongahela River here is the heaviest traveled river in the world. More cargo, more supplies, more products of factories are transported on this river than any other river in the whole world. And as we came across the bridge a few minutes ago, I could see dozens of crucially needed barges tied up in the river, empty because they can't be transported back down to be refilled because of the heavy ice conditions.

It is important that people who are in their homes know that they ought to cut down their thermostats drastically. I have asked nationwide for not more than 65 degrees, much lower at night. In your own State the request is 62 degrees. There are many homes that have open fireplaces that could even turn down their thermostats to 50 degrees or turn off the heat.

We need to do it, because every iota of energy saved, particularly in the crucial elements like natural gas and, in some areas, heating oil, can be used to keep people on their jobs.

There will be suburban areas in our country within this next week that will probably completely lose all supplies of natural gas. Plans must be made for those people who live in homes that will have no heat to be transported to neighbors' homes and to be housed in school buildings.

If we can get everyone in this country to realize the seriousness of our problem and cut down drastically on heat consumption, we can keep tens of thousands of Americans employed.

Now, I have got on heavy underwear, and the White House is cold inside. [Laughter] My wife—when I told her that we were going to lower the thermostat drastically in the White House—she shed a few tears, because she is really cold-natured. She had just gotten through with the Inauguration ceremonies and a 2-year campaign, and we had had receptions in the White House to meet thousands of people, and she was tired. She said, “I just can’t do it.” But we have gotten accustomed to it. I hope that all the people in this country will realize that we are in it together. It is really important.

I am going to pursue aggressively a close, cooperative relationship between myself and the Governors, mayors, county officials, the Congress, industrial representatives, and private citizens who are not employed but who control their thermostats in homes. We have just got to work together.

The reason for my coming to Pittsburgh instead of going to other places is, perhaps, of interest to you.

In the first place, I wanted to see at first hand the present impact on an area that has a heavy concentration of employment, that produces goods that our Nation has to have to use in this country and to export.

Secondly, I wanted to see a plant—like your own here, Westinghouse, where these massive generators are constructed—that has done a good job already on energy conservation. By using sodium vapor lamps, you can cut down on the waste of electricity. You have already done that, and I appreciate it.

Third, this is a plant that is fed by dozens of other plants for your component

parts. If any one of them is shut down, perhaps in California or Georgia or Texas or Ohio, and you are deprived of a crucial part, it might very well cause your own plant to close down even though the other 99 percent of your component parts are available. So, the nationwide effect of this particular plant is illustrative, too.

This is a large plant, employing about 9,000 people. You had to close down Friday at noon. I understand in this area there is only enough fuel to last 2 more weeks. And if you have to shut down completely, it would be a devastating blow to our country.

These extremely large generating component machines, that are almost as large as a house, will supply electricity for other parts of the Nation. One that is being built here now is the largest one, or at least as large as any, in the world, 1500 megawatts. It’s going to the State of Washington. And I know that all over the country, the future supply of energy is dependent upon you.

You have done a good job in this area already in trying to save energy. Every school in Pennsylvania has been closed. As I flew over, I noticed the churches this morning have been closed down. And you have already reacted to a very unprecedented need. But we are all in it together.

I don’t claim to know all the answers. I am going to do the best I can. But I think to the extent that we can let the American people know that this is the first major indication of a permanent energy shortage and that all of us have to do our part, perhaps it is a good forewarning that might keep us from having very severe national catastrophes in the future.

We appreciate very much your letting us come in. I’ve had a chance to fly in my helicopter up and down this heavily industrialized region to see the impact already of the heavy snow and extreme

cold. And I want everyone in the country to know that we are doing the best we can.

I, perhaps, would be well served now to answer some questions that you might have. I don't know all the answers, but I think your questions themselves might help me to learn. And I will be going back this afternoon to the White House. Between now and tomorrow morning when the Congress convenes, I will be meeting with a few key Congress Members to discuss amendments to the emergency legislation derived from my experience today.

And if you have any questions now—first of all, the people here at the Westinghouse Plant—I will answer them, and then I can take a few questions from the news media before we have to leave.

Does anyone have a comment or question or suggestion?

QUESTIONS

NATURAL GAS

Q. Is there for sure a natural gas shortage?

THE PRESIDENT. Yes. I don't think there is any doubt that there is a natural gas shortage in this area. The emergency legislation that will be passed this week, I believe, helps to correct a problem that is now guaranteed by the restrictions on our natural gas distribution system.

We are asking for authority for myself, working through the Federal Government, to transfer natural gas from pipelines that have an excessive amount into a natural gas line where there actually is a shortage. That is prohibited now by law, but in the case of emergency we want to be able to do that. So, if in the southern part of the country or, perhaps, in parts of the West, where there are very moderate temperatures and the natural gas supplies are adequate, we will want to be sure, without violating antitrust

laws, that we can get the gas companies to cooperate and move gas from one area to another in order to meet shortages.

So, nationwide, if we could distribute the gas that we have exactly where it is needed, we would probably have enough at this point. The supplies, the reserves are dwindling very rapidly. But in order to meet isolated areas which comprise 11 States at this point, where there is a very serious shortage, we need to transfer gas around the country, which we cannot do at this point.

ENERGY PRICES

Q. We, as union members, would like to have the gas companies investigated because of the shortage they claim that they do have. The people in this area—many aged and pensioners—they can't afford to pay the price we are paying on gas bills now. And it is unfortunate, and they say "no gas." We request that you investigate that and see if that is a fact.

THE PRESIDENT. We will do that. In the process of developing a comprehensive energy policy that will be completed, as I said, with the target date of 90 days after I went into office, we will investigate the accuracy of reports on the reserve supplies of oil, coal, uranium, natural gas. And we will also make sure that there is not any possibility for energy companies to get a windfall profit in dealing with shortages, whether they actually exist or not.

But I believe that a thorough discussion of the energy problem by all people who are involved—consumers, both private homes and commercial consumers on the one hand and suppliers on the other—will help us to understand and detect where there has been cheating, where there have been misleading statements made, where incorrect reports have been

made, and to expose those and prevent them in the future.

In many instances, the distribution companies at the local level have no control whatsoever over their supplies. And to understand the extremely complicated energy system in all its forms is something that's going to take a great deal of detailed work.

I chose the best qualified person that I know of in the Nation to head up this energy effort, Dr. James Schlesinger. He has recently been the Secretary of Defense. Before that he was head of the Atomic Energy Commission. He has been the Director of the CIA. He has been the Director of the Budget Bureau, and he is a brilliant, very tough, competent man. And if anybody can bring order out of chaos and give us a clear understanding of what we ought to do to conserve energy, first of all, and then to distribute what we have to use in an effective and fair way, Dr. Schlesinger can.

And I deliberately wanted him in the White House, very close to me on a daily basis so that I could add the strength of the President himself to the brilliance and capability of Dr. Schlesinger and his people, to work with the rest of the Nation in evolving a good policy.

But I believe we are now moving, for the first time, to correct some of the very basic defects that we have in our country.

Q. I would like to ask that you protect these people on fixed incomes so these gas companies don't shut them off. You know, they are really hurting.

THE PRESIDENT. The question is about people on fixed and very low incomes. In the 11-State area that I have described to you, we estimate that the average family is having to spend \$200 or \$300 more on fuel costs, even with the lower temperature settings.

And as you know, for a person that makes \$15,000, \$20,000, \$25,000 a year, they can accommodate a \$200 or \$300 extra expenditure without cutting back on the basic necessities of life. But someone who has a very low income or a fixed income like social security and nothing else, to add \$300 extra expenditures on their bills, means that they are going to have to do without medical care or do without clothing or do without food.

We have already begun to work through the Community Services Agency, through the Labor Department, through Health, Education, and Welfare, to try to allot an additional financial aid to those very low-income families. And only Friday night, I was talking to Senator Muskie and Senator Kennedy who had done a survey of the northeastern part of our country to bring this problem to my attention. But that will be one of the responsibilities that I will assume, and it will be done very quickly.

INDUSTRY LAYOFFS

Q. Mr. President, there are a group of us employed at the Westinghouse Air Brake Company, which is located about 2 miles up the road, and we are facing the same problems as Westinghouse Electric Company.

We have been informed by management that if this cold extends until Monday, that the complete foundry will be shut down. That will mean 800 jobs, and then that will have a spillover effect that will affect the whole Westinghouse Air Brake Company.

We have over 4,000 people employed there. We have another concern, Mr. President. In addition to facing layoffs, we are also faced with skyrocketing gas bills. Our members are paying \$85 and \$95 a month for gas bills. You know, faced with layoffs and these tremendous gas bills, that is quite a concern.

THE PRESIDENT. The question was raised about the shutdown of the Westinghouse Air Brake Company, and it would be typical, even of this one here, if we don't have an alleviation of the shortages. Now there is no way that the President of the United States or the Federal Power Commission or a Governor can direct the closing down of particular plants that are not crucial and have very low employment and all, and where production can be delayed in allotting scarce energy materials on a priority basis.

If you remember back in 1973—I was the Governor of Georgia then, and I and the other 49 Governors were given the authority to allot 3 percent of the total diesel oil, kerosene, and gasoline to make sure that we could serve people who were particularly in need from a less high priority source.

We need that same authority to allot all kinds of fuel. We have plants that use natural gas as a raw material, whose products are primarily used in the summertime. It might very well be that we could close down those plants on a 2-week basis or a month basis, even, and allot that fuel to companies that have to have it to stay open on a continuing production basis.

But that authority does not exist now, and I wouldn't want to disrupt the normal free enterprise system of allotting fuel and have the Government take over the whole responsibility. But to allot maybe 3 percent or 5 percent of the fuel in the country would probably be enough to keep the air brake company from closing down or the generation company from closing down if we just had that much flexibility.

That is one of the things that we will be considering on the emergency legislation as an amendment. Now, I don't want to put on very many amendments on that legislation, because the more amendments you put on, the more delay there is in hav-

ing the bill passed. So, whatever amendments are proposed will be decided on today, they will be introduced in committee tomorrow, and then we will go with the bill as it is. We will come back with comprehensive legislation proposals, as I said, hopefully with a deadline date of April 20. I might say one other thing before I take a question from the news media, and that is this: I had a Cabinet meeting yesterday and brought in all the leaders of the Federal Government executive agencies.

There are some problems that we face in the future, brought about by this extreme cold, that the average citizen, including myself, would not think about under normal circumstances.

I am going to direct, for instance, the Corps of Engineers and the Interior Department both to assess for me the prospects of additional flooding that we can anticipate when the ice breaks up and the snow starts to melt.

We already have many rivers in this country that have floods under a normal spring thaw condition. But with massive blocks of ice, some of them 24 inches thick, which we haven't had before, blocking the normal exit of water over the rivers and, also, combined with the excessive snowfall that gives us more runoff when the snow starts to melt, we might be faced with extraordinary flooding conditions this year. And I want to be sure that we are prepared for it. We can't prevent all the floods, but at least the Corps of Engineers and other Federal agencies can give me a report on where we might expect those floods, let the mayors and the county officials, the Governors, know about it so we might have to prepare for evacuation under those conditions.

But there are literally dozens of questions like that that face me now, and we are trying to do it in a very careful, very methodical, very orderly fashion, so that

we won't be caught by surprise when additional crises evolve in the future.

NATURAL GAS DEREGULATION

Q. Mr. President, some Members of Congress were saying on Friday they want to add to your emergency legislation a deregulation of natural gas provision, unless you can give assurances that in the longer range energy package you would propose such a deregulation. Can you give those assurances?

THE PRESIDENT. Well, my intention has always been, as expressed many times during my own political campaign, that natural gas should be deregulated for a limited period of time on a test basis—I would say for a 4-year period of time—leaving existing contracts in effect for the price of gasoline and the delivery quantity over the period of the contract.

Some of those contracts exist even beyond the year 2000, but I think that it is time for us to deregulate natural gas with those basic constraints on the deregulation. But that would have to come as part of an overall comprehensive energy policy. And designed in that would have to be some prohibition against excessive or windfall profits from energy companies at the expense of the consumer.

FOREIGN TRADE

Q. What are you doing about foreign competition? [*Inaudible*]

THE PRESIDENT. I understand that. The point was about foreign competition, and this is a matter that, of course, is with me constantly. I think you've all noticed that one of the first things that I did on becoming President was to send Vice President Mondale on a trip around the world to meet with our friends and allies, who also happen to be the countries that quite often are intentionally in competition with us on crucial products.

Now, I don't know what percentage of your own production is exported, but I would guess a percentage on a community-wide basis around the Pittsburgh area would be very, very high. We had last year almost a \$6 billion trade deficit under the previous administration, which is not good for us. In other words, we imported \$6 billion more products than we sold, and I hope to do something about that this year.

There are a few very crucial items that have been highly publicized in the past, like shoes and specialty steels and color televisions. And as Vice President Mondale has talked to Chancellor Schmidt, in Germany, and today and tomorrow with the Prime Minister of Japan, Mr. Fukuda—he is talking to them about the possibility of import constraints.

I hate to impose tariffs, and I hate to do anything that would cause the overall increase in the cost of consumer products. There are times when we have to continue imports to let our consumers have a break on a nationwide basis and provide for some emergency help for workers that are laid off. But this is a very complicated subject, and I am completely aware of it. I spent 2 years going in and out of factories and plants and talking to people—and listening to people, mostly—during the campaign, and the handling of import competition is something that is ever present on my mind.

4-DAY WORKWEEK

Q. Mr. President, are you seriously contemplating or suggesting any change in the private industry workweek and hours and in the Federal Government, as well?

THE PRESIDENT. I would like very much for private industrial leaders, on an individual plant basis, and mayors and Governors on a community or State basis, to consider the shifting to a 4-day work-

week with 10 hours per day instead of a 5-day workweek with 8 hours per day.

Now, there are plants that have a continual production line, that shutting down and starting a plant up would be very, very wasteful. But in general, on piece-type work, on assembly plants only, where the chemical processes are minimized, this 4 days of heating a plant, even 2 hours longer per day, is much more efficient on energy consumption than is the 5-day week with 8 hours per day. But that is something that I cannot do now with the Federal Government because of a legal prohibition. But that is the kind of thing that ought to be available to us as an option in the future.

But short of changing the law which would give me that authority for Federal installations, I would like to urge, when appropriate, private businesses to consider going to a 4-day workweek, 10 hours per day, and that would also apply to State and local governments when there is no legal prohibition against it.

COAL

Q. Mr. President—[*inaudible*].

THE PRESIDENT. Yes, there have been some decisions already made by the Environmental Protection Agency that on a temporary basis only, coal can be burned at the present time. This has been authorized, for instance, in Ohio already. As part of a comprehensive energy policy, we will move very strongly in research and development to learn how to burn coal again without violating our air quality standards. And I would shift a very heavy emphasis on research to learn how we can do that.

In some States where natural gas is very plentiful, like, for instance, in Texas, they have already begun to shift to other sources of fuel for stationary power production like electric powerplants. They still use natural gas. They are shifting to

lignite and coal, and, in some instances, fuel oil. We have got to start shifting our stationary heat production centers, like electric power production plants that drive these generators in the background that use more plentiful supplies of fuel, the most notable of which is coal.

Maybe one more question and then I will need to go back.

Q. We would like to have the president of the AFL-CIO say goodbye when you leave.

THE PRESIDENT. Fine. Yes, sir?

NATURAL GAS SHORTAGES

Q. Will you be going to other areas? There is some belief that some suburban neighborhoods, they say, will probably run out of gas this week.

THE PRESIDENT. That is the projection now, yes. We have been informed by local gas-distributing companies that suburban areas, perhaps even here in the Pittsburgh region, will be deprived completely of natural gas later on this week unless we have an alleviation of the weather. And if that should occur, we will try to let the local officials know a day or so ahead of time, so that those families might be encouraged to share homes with friends in other areas of the community and also provide emergency housing in National Guard armories and school buildings for families that have to leave their own homes.

I would like to repeat my urging of American families all over the country, even in areas that are not afflicted with excessive snow and so forth, in order to keep people at work in this country, to cut their thermostats down as much as possible, even as low as 50 degrees, particularly in homes where there are open fireplaces that can be used.

And I would also like to urge people to wear heavier clothes in their homes, including heavy underwear and sweaters,

as a normal course of events. I found that this is a very effective way to deal with very low temperatures. We could meet half of the shortage of natural gas today if every home in our country would cooperate in this fuel saving effort just by reducing thermostats and not wasting electricity and other forms of heat.

It is crucial that everybody realize the importance of this effort. A little bit in individual homes doesn't seem very important, but the cumulative impact of every home doing this in the country and every person cooperating is very, very significant.

Thank you very much. I have enjoyed being with you. Thank you for letting me interrupt your work.

NOTE: The President spoke at 10:05 a.m.

The Energy Shortage

Remarks on Returning From the Trip to Pittsburgh, Pennsylvania. January 30, 1977

I just returned from a trip to the suburbs of Pittsburgh where we had a chance to observe from the helicopter the tremendous industrial complex along the Monongahela River. This is a concentration of production and employment that is almost unequaled anywhere else in the country.

The snowfall and severe weather—it was five degrees even up in the morning there—has created very serious problems. The natural gas supplies are down to minimum level.

There are in Pennsylvania, itself, 400,000 people unemployed even before the cold weather came; 90,000 additional employees are out of work because of weather conditions and energy shortages. And we have analyzed—most of the work having been done by Governor Shapp—

325,000 additional jobs are in danger of being lost because of energy shortages.

Empty barges are lined up in the river. They can't be carried back down for refilling because of heavy ice conditions.

We have already seen Governor Shapp take strong action. Every school, both private and public, in Pennsylvania is closed. Almost all the churches this morning were empty, with their services cancelled. The thermostats have been ordered reduced to 62 degrees, and the people of Pennsylvania are cooperating. I am sure in the 10 other States that are heavily impacted by the cold weather, they are doing the same.

The points I would like to make here are two-fold. One is this is the first strong indication of a permanent, very serious energy shortage. The crisis might be over in a few days or a couple of weeks, but the energy shortage is going to be with us, is going to get worse instead of better.

And the second point is that we are all in it together. Every household that keeps its temperature too high or that wastes fuel contributes to the unemployment of American people and a damage to our society.

I have moved to ask the Congress for emergency legislation to allocate the scarce supplies of natural gas. That is just a temporary thing. We will work as hard as possible in the next few weeks to evolve for our country a permanent, long-range, comprehensive energy policy.

We are the only developed nation in the world that doesn't have such a policy. It is a very serious handicap to me and to other leaders now in dealing with this first indication of a permanent energy shortage. By April 20, we will have completed the basic energy policy for our country and will go to Congress then for permanent legislation. Members of Congress, industry, consumers groups, my own administration leaders, and others

will be involved in the evolution of this policy.

But I want to leave the American people with a clear concept that what every person in this country does—to wear warm clothes indoors, warm underwear, a sweater; to cut down the thermostats very low, even as low as 50 degrees in some instances if the house has an open fireplace that might be substituted—is a very strong contributing factor to the resolution of this problem.

We waste more energy in this country that doesn't have to be wasted than the total amount that we import. And just in homes alone, if we can hold down the temperature and everybody works together, we can meet at least half our needs for natural gas alone.

This trip was very helpful to me. I was able to talk directly with workers who were just about ready to be laid off against their wishes. And I have learned at first hand that we can prevent further unemployment in our country and further suffering if we work together.

Thank you very much.

NOTE: The President spoke at 12:23 p.m. on the South Portico at the White House.

United States Representative to the United Nations

*Remarks at the Swearing In of
Andrew J. Young. January 30, 1977*

I can see that I may have made the wrong choice. Andy is the first Cabinet-level officer who has gotten more applause than the President. [*Laughter*] But I'm not surprised, nor disappointed. I think that is an indication that all of you recognize, along with me, the superb qualities that come to major government service with Andrew Young. Andy has heard me

say this many times, and I have never said it about anyone else—of all the people I have ever known in public service, Andy Young is the best.

He exemplifies to me a very rare combination of inner strength and quiet self-assurance, deep religious faith, superb personal courage, sensitivity to other people's needs who are not so influential or well known or powerful as he is, an ability to work with others, a way to assess a complicated question and divulge his accurate but sensitive and simple analysis to other people, an ability to work with his own peer group. That is really a combination that is rare.

I think all of you know Andrew Young's background. Some of you in the audience were there with him where he saw what was wrong with our Nation and knew what was right and had the courage to suffer personally—and in many instances in a subordinate position, with Martin Luther King and others—and change the consciousness, I think, not only of our own country but the whole world. And he did this in a way that made us all proud of him.

He did not want or ask for this job. I wanted Andy to be the Ambassador of our country to the United Nations for a long time. And it was only with the greatest reluctance on his part that he finally agreed to do it for me and for our country. But his reluctance was not an unwillingness to serve the United States. It was a belief, because of humility, that he wasn't quite ready for it. He said that when he was quite a young man that he wanted to be the Ambassador to the United Nations because of the unique contribution that could be made there. But he thought that the time might be 4 years or 8 years in the future. So, our Nation's gain is Georgia's loss. And Andrew Young has agreed to occupy this very important position.

Yesterday morning, in the privacy of my own little office adjacent to the Oval Office, Andrew Young and Cyrus Vance and Zbigniew Brzezinski and I spent 2 full hours talking about the most difficult and challenging international questions that face our country. And on a basis of equality of exchange, and so forth, we tried to evolve what our Nation ought to do. And it was a reassuring thing to have Andrew Young there. And I am very grateful this afternoon that he is willing to serve. I look forward to greater things from him in the future.

I hope to measure up as President to the standards that he sets as Ambassador to the United Nations. His status will be equal to that of the Secretary of State or the Secretary of the Treasury or anyone else. And his closeness to me personally will ensure that there is never a division of sense of purpose or a need for action between him, as he deals with almost 150 other nations' leaders in New York and around the world, and I and Cyrus Vance, who is here, as we deal from Washington with those same countries on a different leadership basis. So that compatibility will greatly magnify his own good influence.

I am thankful that Thurgood Marshall has agreed to come this afternoon, at the invitation of Andrew Young and myself, to give the oath of office to our next Ambassador to the United Nations. So, I'd like to turn the program over to Justice Thurgood Marshall. And after the oath of office is administered, with Jean holding the Bible, then Andy will say a few words at my request.

I present to you now Justice Thurgood Marshall.

NOTE: The President spoke at 2:05 p.m. in the East Room at the White House. Supreme Court Associate Justice Thurgood Marshall administered the oath of office.

In his remarks, the President referred to Ambassador Young's wife, Jean.

Economic Recovery Program

Message to the Congress. January 31, 1977

To the Congress of the United States:

I am proposing to you today a two-year \$31.2 billion economic recovery package, whose budgetary costs will be divided almost equally between fiscal years 1977 and 1978 (Table 1). The main components of the program are:

—an increase of \$4 billion in authorizations for local public works;

—an expansion of public service employment by 415,000 jobs;

—an expansion of training and youth programs under the Comprehensive Employment and Training Act (CETA) by 346,000 positions;

—an increase in the countercyclical revenue sharing program designed to pay out an additional \$1 billion a year at current rates of unemployment;

—a \$4 billion program of tax reform and simplification for individuals, through an increase in the standard deduction;

—individual tax rebates, and payments to Social Security, Supplemental Security Income (SSI) and Railroad Retirement beneficiaries, which will total \$11.4 billion;

—an optional credit against income taxes equal to 4 percent of payroll taxes or an additional 2 percent investment tax credit for businesses.

While a healthy housing industry is also critical to economic recovery, this area requires long-term commitments, rather than a short-range program. The Secretary of Housing and Urban Development is now developing a long-term housing program for low and middle income families, which will contribute to sustained economic growth.

The economy I found when I took office had 7.5 million Americans out of work, 1.4 million full-time workers forced

TABLE 1.—*Budgetary Cost of the Economic Recovery Program Above Current Levels*
(In billions)

	FY 1977 Budget Authority (Appropriations)	FY 1977 Budget Outlays or reductions in receipts	FY 1978 Budget Authority (Appropriations)	FY 1978 Budget Outlays or reductions in receipts
Increased Countercyclical Revenue				
Sharing	0.5	0.5	0.6	0.6
Public Service Employment	0.9	0.7	3.4	3.4
Skill Training and Youth Programs in CETA	1.5	0.3	1.3	1.6
Public Works (\$4 billion authorization) ..	2.0	0.2	2.0	2.0
Tax Reform and Simplification for In- dividuals (increase in standard de- duction)		1.5*		5.5*
Business Tax Reduction		0.9		2.7
Tax Rebate and Payment to Social Security, S.S.I., and Railroad Retire- ment Beneficiaries	1.8	11.4		
TOTAL STIMULUS PACK- AGE (Reduced Receipts Plus Increased Outlays)	6.7	15.5	7.3	15.7**

* While the tax reduction will apply to the full year 1977 tax liability, withholding rates will only be reduced for part of 1977, since passage of the law will come after the year is partly over. As a consequence, taxpayers, in 1978, will receive some additional refunds.

** Details do not add to total due to rounding.

to take part-time jobs, and still another 1 million workers who had dropped out of the labor force because jobs are so hard to find. The outgoing Council of Economic Advisers conservatively estimated that our economy operated in 1976 at approximately \$132 billion below its high-employment potential; every household in our country lost approximately \$1,800 per year as a result. The nation lost approximately \$35 billion in federal tax revenues and approximately \$10 billion in state and local revenues because of inadequate economic performance. Last year, expenses caused by the recession—such as unemployment compensation—were \$22 billion higher than in 1973, the last pre-recession year. Economic growth has declined for

three consecutive quarters. Most economists have projected that, without further stimulus, the economy would grow by an inadequate 4½–5% in 1977. The severe weather this winter will probably reduce growth even further, if no action is taken.

A vigorous U.S. economy is vital to our domestic welfare as well as to world stability and order.

In preparing this detailed economic package I have been guided by several principles:

A. Continuity and Consistency. Because we sought a sustained expansion in consumer spending and business investment, we have developed a two-year program, which will provide stimulus in both this and the next fiscal year, and will also

retain enough flexibility so that we can adjust the program up or down should circumstances require. This two-year program will provide the private sector with a genuine opportunity to plan ahead.

B. *Speed.* Because of the need for an immediate stimulus to consumer purchasing power, we have included an \$11.4 billion tax rebate and cash payment section in our package which, if promptly enacted by Congress, would permit us to mail checks to taxpayers this spring. It is simply impossible for public works and public service employment programs to get money into the economic stream that quickly.

C. *Fairness.* Because we wanted to target the benefits of this program to those most in need, the bulk of the reduction in personal income taxes will go to low and middle income taxpayers (Tables 2

and 3). The business tax reductions have been specifically designed to reduce costs and provide incentives not only for large businesses but for small ones as well. The spending and job creation programs will be targeted to the hard core unemployed and to those communities hurt most by the recent recession.

D. *Effectiveness.* Our program only promises what can realistically be done. We are proposing major expansions of existing programs within a short period of time. To force more money, faster, into the system would risk poor administration.

E. *Limitation on Permanent Budget Cost.* Because we are committed to a balanced Federal budget for fiscal year 1981, we want to hold down the size of *permanent* spending increases or tax reduction. The tax rebate and many of the spending programs are temporary, and will end as

TABLE 2.—Estimated Effects of the Administration's Tax Rebate Program, Distributed by Adjusted Gross Income Class

(Calendar Year 1976 Levels of Income)

ADJUSTED GROSS INCOME CLASS (\$000)	Tax change resulting from the fifty dollar per capita rebate		
	Amount (\$ millions)	Percentage distribution (percent)	Cumulative percentage distribution (percent)
Less than 5	—984	10.3	10.3
5–10	—2,010	21.0	31.2
10–15	—2,223	23.2	54.4
15–20	—1,904	19.9	74.3
20–30	—1,695	17.7	92.0
30–50	—564	5.9	97.9
50–100	—169	1.8	99.6
100 or more	—36	0.4	100.0
TOTAL	—9,585	100.0	

NOTE: Details may not add to totals due to rounding.

As the chart indicates, over 54 percent of the benefits from the tax rebates will go to those with adjusted gross incomes of less than \$15,000 and an additional 20 percent of the benefits will go to those earning between \$15,000 and \$20,000.

Office of the Secretary of the Treasury
Office of Tax Analysis
January 26, 1977

TABLE 3.—*Estimated Effects of the Administration's Flat Standard Deduction Proposal, Distributed by Adjusted Gross Income Class*

(Calendar Year 1976 Levels of Income)

ADJUSTED GROSS INCOME CLASS (\$000)	Tax change resulting from the \$2,400/\$2,800 standard deduction ¹		
	Amount (\$ millions)	Percentage distribution (percent)	Cumulative percentage distribution (percent)
Less than 5.....	-616	15.6	15.6
5-10.....	-1,953	49.4	65.0
10-15.....	-1,245	31.5	96.5
15-20.....	-137	3.5	100.0
20-30.....	-1	*	100.0
30-50.....	-*	*	100.0
50-100.....	-*	*	100.0
100 or more.....	-*	*	100.0
TOTAL.....	-3,951	100.0	

NOTE: Details may not add to totals due to rounding.

* Less than \$500 thousand or 0.05 percent.

¹ Includes the effect of extending the \$35 general tax credit to exemptions for age and blindness.

Office of the Secretary of the Treasury
Office of Tax Analysis
January 26, 1977

the economy recovers. The business tax reductions and the increase in the standard deduction are permanent, but we recommend them as ways to simplify the tax code and stimulate business investment.

This program, if it is passed, should increase the nation's output at a rate of \$14 to \$18 billion per year by the end of 1977 and \$25 to \$35 billion per year by the end of 1978. Together with the previously anticipated growth of the economy, the program should reduce unemployment by almost one million by the end of this year, with further significant reductions in 1978.

The gross budget costs of the program are estimated to be \$15.5 billion in fiscal year 1977 and \$15.7 billion in fiscal year

1978. But the increased incomes and jobs which a growing economy will produce will increase Federal revenues and decrease expenditures on unemployment insurance and welfare. As a result, we anticipate offsetting reductions in net Federal costs of about \$3 billion and \$8 billion in fiscal year 1977 and fiscal year 1978, respectively.

The economic program I have proposed will set the stage for substantial growth in the years ahead. It will restore consumer confidence and consumer purchasing power; it will encourage businessmen to invest in a long-term growing economy; it will pave the way for a balanced Federal budget by fiscal year 1981.

The program will not aggravate current levels of inflation in any significant

way. With 7½ million people looking for work and 20 percent of our industrial capacity idle, we can now afford to spur recovery without risking significant new inflation.

This Administration will never let its guard down against inflation, which robs us all. My proposed credit against payroll taxes will tend to reduce labor costs and will, therefore, also help hold prices down.

I will soon announce a substantial strengthening of the Council on Wage and Price Stability. The Council will analyze the supply and demand trends in particular industries, so that we can spot bottlenecks and potential shortages and try to prevent them. It will also perform a more active job of monitoring wage and price developments. I believe that both business and labor will be willing to cooperate by giving us voluntary prior notice of important wage and price increases.

I have asked all my Cabinet officers to evaluate continuously the inflationary impact of their Departments' programs and regulations. I have already instructed the Secretary of Health, Education, and Welfare to develop a program for reducing the rapid rise in hospital costs.

Most importantly, this Administration intends to work closely and cooperatively with both labor and business to minimize inflation and help ensure a solid increase in jobs, real wages, and real profits. Meetings among my economic advisers and labor and business leaders will begin within the next few months.

With these principles in mind, I urge the adoption of the following programs:

A. *Expenditure Programs*

1. *Public Works.* I recommend an immediate \$4 billion authorization for additional emergency public works beyond the \$2 billion authorized by the Congress last year, with \$2 billion to be appropriated

for fiscal year 1977 and \$2 billion for fiscal year 1978.

As the public works program has been implemented, the current formula for allocating funds has left some hard-pressed communities with inadequate funding, while their more affluent neighbors have had substantial programs approved. The Secretary of Commerce is now undertaking a careful review to determine whether the current 70%-30% allocation formula between high and low unemployment areas should be changed. After she completes her study, we will recommend legislation. In the interim, I have asked the Secretary to do everything possible under existing law to direct greater amounts of money into areas of high unemployment.

2. *Employment and Training Programs.* The economic stimulus package is designed to cope with both *cyclical* unemployment, which is caused by the economic recession, and *structural* unemployment, which affects those who lack the necessary training and skills to find work even in good times. The first group can largely be helped by general economic stimulus. The second group requires special training and placement programs.

I propose the following programs to help these groups:

a. *Public Service Employment.* It is time to take our people off welfare and put them to work, with maximum emphasis on creating jobs in the private sector. But it will take time for an expanding private economy to provide a large number of jobs for the unemployed. In the meantime we must expand temporary public service jobs for those who would find it difficult to obtain work in private industry.

I propose an increase in the number of federally-funded public service jobs under the Comprehensive Employment and Training Act (CETA) from 310,000 now to 600,000 by the end of fiscal year 1977

and to 725,000 for fiscal year 1978. This program would cost \$0.7 billion in fiscal year 1977 and \$3.4 billion in fiscal year 1978 (Table 4).

This public service program will enable the unemployed to use their talents to serve their fellow citizens in hospitals, in mental institutions, in improving our national parks, in recreation programs, in rehabilitating those parts of our cities where crime is high and hope is scarce, and in energy-saving activities. We will target our public service employment programs to areas of national need—such as the improvement of our national parks, and the insulation of homes and public buildings as well as other energy-saving activities.

b. *Youth Training and Employment Programs.* Unemployment among our young people is far higher than the na-

tional average for workers of all ages, so we must target specific programs to our unemployed youth. I am proposing to expand the youth-oriented programs in CETA, Titles III and V, by 176,000 slots from 422,000 to 598,000 (Table 4).

The basic youth programs will be conducted by the State and local governments which are prime sponsors under CETA. An additional program will be established to take rural and urban young people aged 16 to 21 off of the streets and put them to useful work helping to conserve, develop and maintain our natural resources and recreation areas. This, like the Civilian Conservation Corps of 40 years ago, would be a way to let young people serve their Nation while expanding their own horizons.

c. *Vietnam-era Veterans.* Military veterans of the Vietnam-era deserve special

TABLE 4.—*Increases in Public Service Jobs Above Current Levels*
(Slots in thousands)

	FY 1977 recommended additions to current levels	FY 1978 recommended additions above current levels
Public Service Employment, CETA Title VI Slots, end of period	240	340
Public Service Employment, CETA Title II Slots, end of period	50	75
Youth, CETA Title III Slots, end of period	72	154
Skill Training Improvement Program, CETA Title III Slots, end of period	58	58
Help Through Industrial Retraining and Employment (HIRE), CETA Title III Slots, end of period	60	92
Migrants, Indians, Veterans CETA Title III Slots, end of period	10	20
Job Corps, CETA Title IV Slots, end of period	8	22
Apprenticeship Expansion, CETA Title III Slots, end of period	N/A	N/A
TOTAL Slots	498	761

attention, both because our Nation owes them a debt of gratitude for their service and because their employment problems are so severe.

For Vietnam-era veterans between the ages of 20 and 24, the unemployment rate is 18%, compared to 12.5% for non-veterans of the same age, with disabled and black veterans hit even harder. More than 20% of young black Vietnam-era veterans are now unemployed.

I am therefore proposing the creation of 92,000 jobs under Title III of CETA by the end of fiscal year 1978 in a new program called Help Through Industrial Retraining and Employment (HIRE), which will emphasize employment opportunities for Vietnam-era veterans (Table 4).

Under the HIRE program, which could be expanded to include non-veterans, the largest corporations, through Federally-funded initiatives, will be encouraged to make private sector job opportunities and training available to Vietnam-era veterans.

HIRE will initially focus on disabled Vietnam-era veterans and then reach out to include all Vietnam-era veterans. If there are not enough Vietnam-era veterans available in a community to fill job openings, those jobs will be made available to disadvantaged young jobseekers and then to the long-term unemployed.

The government will pay a firm a variable amount per Vietnam-era veteran hired—depending on that persons' occupational level and job—for each day of employment and training provided to such a person, up to a maximum of twelve months.

In order to insure that this program creates new jobs, we will require, as a condition of Federal assistance, that the employment of target group members not result in the displacement of any worker who is currently employed by the firm,

who has been laid off, or who is on strike.

I propose to increase the proportion of Public Service Employment jobs held by Vietnam-era veterans. Local goals will be developed by individual prime sponsors and keyed to the number of veterans available in the area served.

I have also asked the Department of Labor to establish outreach units, staffed by disabled Vietnam-era veterans, in State Employment Service local offices. They will identify other disabled Vietnam-era veterans and guide them to special programs, services, and available job opportunities. Even before this program is enacted, we will urge the CETA prime sponsor to increase voluntarily the number of Vietnam-era veterans in the expanded Public Service Employment program.

d. *Other Employment and Skill Training Programs.* We must improve employment opportunities and skill training for all disadvantaged groups, through innovative approaches to training and private sector employment.

Therefore I am proposing an increase of 58,000 slots in the Skill Training Improvement Program and a doubling of outlays for apprenticeship programs under Title III of CETA (Table 3). In order to better match our training programs to industry needs, I will instruct the Department of Labor to establish a skill training improvement program authorized under Title III of CETA, to be administered by CETA prime sponsors with full involvement of the private sector.

Under the expanded apprenticeship program which I have requested, apprentices will be allowed to continue developing their skills even during periods of unemployment. A similar program will be extended to workers at the journeyman level.

Migrants and Indians require special attention because of their high levels of unemployment. I am therefore proposing an addition of 20,000 slots, largely for migrants and Indians, under Title III of CETA.

I will instruct the Department of Labor to solicit innovative proposals from governmental units, private nonprofit organizations, and tribal organizations. The new initiatives will include residential training for migrant and seasonal farmworkers, training programs coordinated with rural economic development activities, rehabilitation of farm labor housing camps, and publicly assisted home rehabilitation and weatherization projects.

The Indian initiative will support efforts to improve the internal strength of Indian communities. The efforts will include employment and training activities in connection with road building, the development and management of industrial parks, construction of waste disposal systems, domestic fuel development, irrigation projects, and housing development and management.

3. *Countercyclical Revenue Sharing.* Under the countercyclical revenue sharing program passed by Congress in 1975, additional funds are made available to states and localities when the national unemployment rate exceeds 6% a year. I propose to fund the existing program fully through fiscal year 1978 and to expand it further.

Under current law, \$125 million is made available in each quarter to state and local governments when national unemployment rises above 6%. For each $\frac{1}{2}$ of 1% of unemployment above 6%, an additional \$62.5 million is released in each quarter. Localities then qualify for their portions on a formula based upon their excess unemployment and general revenue sharing allocation.

Under my proposal each $\frac{1}{10}$ of 1% of unemployment above 6% would allow \$30 million of new funding to be distributed each quarter in addition to the basic \$125 million available at 6% unemployment. At 7.5% unemployment, this plan would distribute \$2.25 billion annually, compared to \$1.25 billion under the current program. By changing the formula we would make the program more sensitive to the unemployment rate.

I therefore now recommend that the new countercyclical revenue sharing be authorized on a five-year basis instead of the current one year, so that it will automatically continue in effect and be ready if needed in the future.

The proposed expansion of this program will add an estimated \$500 million in fiscal year 1977 and \$600 million in fiscal year 1978 over and above the current program level.

B. *Tax Reductions*

1. *Rebates and Cash Payments.* The rebate and cash payment program which I propose has three components:

a. A \$50 non-refundable rebate of 1976 taxes for each taxpayer and his or her dependents up to the limit of the taxpayer's liability. It will cost \$8.2 billion.

b. For families who were eligible and file for the earned income credit, a refundable rebate would be paid to bring the total rebate up to \$50 per person, even if that exceeds the family's 1976 tax liability. This will be of particular benefit to the working poor. It will cost \$1.4 billion.

c. A \$50 payment in 1977 to every beneficiary of Social Security, Supplemental Security Income (SSI), or Railroad Retirement. These payments would be of particular benefit to the aged poor. This will cost \$1.8 billion.

These rebates are intended to provide prompt spending power to almost every American. The Internal Revenue Service can begin sending checks five weeks after these proposals are enacted by the Congress. The rebates and payments would have a budgetary cost of \$11.4 billion in 1977, and no impact in 1978.

This rebate will inject money into the economic stream quickly. It will distribute its benefits widely, require little paperwork, be of particular help to low and middle income families, and use a formula the American people can easily understand.

2. Tax Reduction and Simplification. I recommend a permanent increase in the standard deduction, which now ranges from \$2,100 to \$2,800 for couples and from \$1,700 to \$2,400 for single persons, to a flat \$2,800 for couples and \$2,400 for single persons. Thus the existing complex standard deduction would be replaced by a larger, flat standard deduction.

This change would mean that 3.7 million low-income taxpayers and their families would no longer have to pay taxes. An additional 4 million taxpayers would find it more advantageous to use the less-burdensome standard deduction rather than to itemize deductions each year. This would be an important first step in simplifying our tax returns, which are particularly complicated this year.

If this proposal is adopted, roughly 75% of American taxpayers will be able to take the standard deduction and make a simple computation of their tax liability. As Table 3 indicates, all the benefits of this reform will go to low and middle income taxpayers.

This proposal would cost about \$4 billion per year. The decline in receipts would be \$1.5 billion in fiscal year 1977 and \$5.5 billion in fiscal year 1978, of

which roughly \$1.5 billion would be refunds on 1977 tax liability.

3. Tax Relief for Business Firms. I recommend that businesses be allowed to take either a credit against income taxes equal to 4 percent of Social Security payroll taxes paid by the employer, or an additional 2 percent credit for new investment in machinery or equipment. Each firm could choose which credit to take, but its choice would be binding for a fixed number of years.

I hope that the program I have set forth today will receive careful, prompt, and full consideration by the Congress of the United States. Our people are ready to see the Executive and Legislative branches move from an era of confrontation to an era of cooperation. Our common commitment is to put America—its people, its plants, its inventive genius—to work again.

JIMMY CARTER

The White House,
January 31, 1977.

Withholding of Income or Employment Taxes by Federal Agencies

Executive Order 11968. January 31, 1977

WITHHOLDING OF DISTRICT OF COLUMBIA, STATE AND CITY INCOME OR EMPLOYMENT TAXES

By virtue of the authority vested in me by Sections 5516, 5517 and 5520 of Title 5 of the United States Code, and Section 301 of Title 3 of the United States Code, and as President of the United States of America, it is hereby ordered as follows:

SECTION 1. Whenever the Secretary of the Treasury enters into an agreement

pursuant to Sections 5516, 5517, or 5520 of Title 5 of the United States Code, with the District of Columbia, a State, or a city, as the case may be, with regard to the withholding, by an agency of the United States, hereinafter referred to as an agency, of income or employment taxes from the pay of Federal employees or members of the Armed Forces, the Secretary of the Treasury shall ensure that each agreement is consistent with those sections and regulations, including this Order, issued thereunder.

SEC. 2. Each agreement shall provide (a) when tax withholding shall begin, (b) that the head of an agency may rely on the withholding certificate of an employee or a member of the Armed Forces in withholding taxes, (c) that the method for calculating the amount to be withheld for District of Columbia, State or city income or employment taxes shall produce approximately the tax required to be withheld by the District of Columbia or State law, or city ordinance, whichever is applicable, and (d) that procedures for the withholding, filing of returns, and payment of the withheld taxes to the District of Columbia, State or city shall conform to the usual fiscal practices of agencies. Any agreement affecting members of the Armed Forces shall also provide that the head of an agency may rely on the certificate of legal residence of a member of the Armed Forces in determining his or her residence for tax withholding purposes. No agreement shall require the collection by an agency of delinquent tax liabilities of an employee or a member of the Armed Forces.

SEC. 3. The head of each agency shall designate, or provide for the designation of, the officers or employees whose duty it shall be to withhold taxes, file required returns, and direct payment of the taxes withheld, in accordance with this Order, any regulations prescribed by the Secre-

tary of the Treasury, and the applicable agreement.

SEC. 4. The Secretary of the Treasury is authorized to prescribe additional regulations to implement Sections 5516, 5517, and 5520 of Title 5 of the United States Code, and this Order.

SEC. 5. Executive Order Nos. 10407 of November 6, 1952, 10672 of July 9, 1956, and 11863 of June 12, 1975, are hereby revoked. However, all actions heretofore taken by the President or his delegates in respect of the matters affected by this Order and in force at the time of the issuance of this Order, including any regulations prescribed or approved by the President or his delegates in respect of such matters and any existing agreements approved by his delegates, shall, except as they may be inconsistent with the provisions of this Order, remain in effect until amended, modified, or revoked pursuant to the authority conferred by this Order, unless sooner terminated by operation of law.

JIMMY CARTER

The White House,
January 31, 1977.

[Filed with the Office of the Federal Register,
3:11 p.m., February 2, 1977]

NOTE: The Executive order was not issued in the form of a White House press release.

Federal Energy Administration

Nomination of John O'Leary to be Administrator. February 1, 1977

The President today announced his intention to nominate John O'Leary as Administrator of the Federal Energy Administration. He is presently administrator of the Energy Resources Board of the State of New Mexico.

Mr. O'Leary was born on June 23, 1926, and received an A.B. degree in eco-

nomics from George Washington University in 1950.

From 1952 to 1962, Mr. O'Leary served as economist, and later senior staff economist, in the office of the Assistant Secretary of the Interior for Natural Resources. He served as Deputy Assistant Secretary for mineral resources in the Department of the Interior from 1962 to 1967. From 1967 to 1968, he was Chief of the Bureau of Natural Gas of the Federal Power Commission. Mr. O'Leary served as Director of the Bureau of Mines from 1968 to 1970, and was self-employed as an energy consultant to firms in the petroleum, natural gas, and coal industries from 1970 to 1972. From 1972 to 1974, he served as Director of Licensing for the Atomic Energy Commission. In 1974, he worked as a private consultant on energy matters to government agencies and other organizations, including the MITRE Corp., a systems analysis firm. In October 1974, he joined the staff of the MITRE Corp. as technical director of energy resources and the environment division. Mr. O'Leary became administrator of the New Mexico Energy Resources Board in November 1975.

Vice President Mondale's Trip to Europe and Japan

Remarks on Welcoming the Vice President Home. February 1, 1977

THE PRESIDENT. I am very glad to welcome back to our country Vice President Mondale, who has done an absolutely superb job in demonstrating our deep and continuing friendship with our major allies in France and Europe and in Japan.

He has taken messages from me to the leaders of six nations. He has engaged in the same kind of discussions on the same

subjects and with the same depth that I would have if I had gone on the trip myself.

I have received constant reports back, both from Vice President Mondale and from the governments and their leaders whom he has visited. And he has done an absolutely superb job. He has made me, and I am sure the Nation, very proud.

My only order to him now is that he go home and get some rest. They have had a very difficult trip, very fast moving. He will be meeting with me tomorrow to give me a complete briefing. And I believe we will have a press conference tomorrow after he meets with me.

But, Fritz, we are proud to have you back home and proud of what you did on this trip.

THE VICE PRESIDENT. Thank you very, very much, Mr. President, for those very, very kind words. I am delighted to be back and especially thrilled that you would honor me by your personal presence upon my return to the United States.

I am also glad that Joan greeted me, as well. I have prepared a separate arrival statement for Joan, which I will deliver at home. *[Laughter]*

I want to announce to the press, however, that that will not be released to the public because of the highly sensitive nature of the information that I will be carrying back from the leaders of the other countries.

Nine days ago, I left to visit our friends and allies of Western Europe and Japan, under instructions of our new President, to bring the message that we wanted the earliest possible cooperative consultations with our friends. And we wanted to begin the long-term process of a mutual partnership. I can say, Mr. President, that wherever I went, to Brussels, to Bonn, to Paris, to London, to Berlin, to Tokyo, to Reykjavík, we were received warmly. And there is a spirit of optimism and excite-

ment with our friends inspired by your leadership. The Inaugural address and the Inaugural was covered completely and fully throughout the world. They were inspired by your words and inspired by the hope and the opportunity that your leadership affords to our Nation and to the world.

Under your instructions, we were able to begin the consultations necessary for the summit conference and the crucial preparatory work necessary to assure the success of the summit meeting. We were able to hold very important talks leading to further cooperation and economic stimulation to deal with the twin problems of unemployment and inflation that plague so many nations of the world.

I stressed your concern that we move forward in the multilateral trade talks, that we have discussions immediately which we hope will halt the spread of nuclear proliferation and slow down the sale of conventional arms around the world.

I brought your message to NATO of our firm commitment to that alliance and of our intention to work closely and cooperatively with NATO.

It was my great privilege to go to Berlin as your representative and reaffirm the support which you bring and the American people bring for the continuation of a free and secure Berlin. And that was received very, very warmly by the people of that great city.

In visiting all of the leaders of government and Pope Paul, I expressed your strong interest in the humanitarian issues and the issues of human rights. And His Holiness particularly asked me to tell you that he appreciated the strong religious underpinnings expressed in your Inaugural message and strongly endorsed your plea for control of nuclear armaments.

In all of these talks, I came away convinced that our relationships with our

friends are on the firmest possible, most hopeful basis. And I come back optimistic and hopeful. I look forward to my full report to you tomorrow.

THE PRESIDENT. Thank you. I am proud of you.

THE VICE PRESIDENT. Thank you.

NOTE: The President spoke at 1:40 p.m. at Andrews Air Force Base, Md.

Vice President Mondale's Trip to Europe and Japan

*News Conference of the Vice President.
February 2, 1977*

ALBERT EISELE [Press Secretary to the Vice President]. The Vice President will have a brief opening statement. I would ask that the subject matter of this press conference be limited to the trip, and it will run approximately half an hour.

THE VICE PRESIDENT. I've just completed a meeting with the President, which lasted about an hour and a half, at which I briefed him on the various visits and stops on my trip to Western Europe and to Japan.

I believe the trip is a success because it began a process that we consider crucial to the Carter administration: namely, the closest possible cooperative consultations and partnerships with our traditional friends and allies. And I'm convinced that that process has begun, and on the best possible basis.

We've established beyond doubt our desire to have such a relationship, and we have begun a series of important consultations on matters which concern us, such as developing a consensus on what will be involved at the summit. We've set in motion a process of intensified consultations, which will enable our nations to deal with greater effectiveness and to deal successfully with matters bearing on the

security and well-being of each of our peoples, the health of our economies, and our common goal to reduce tensions and to increase the prospects for a more stable international environment.

ECONOMIC SUMMIT MEETING

Q. Mr. Vice President, has it finally been decided that the summit will be devoted entirely to economic issues and not political and, if it has been, is that in deference to France? And what about our other allies and our own objectives which go beyond economic?

THE VICE PRESIDENT. We have received several different suggestions from the various nations about what should be on the agenda. And I have reported on those matters by nation—that is, suggestions offered by each nation—to the President, and now through normal diplomatic channels we will be developing the agenda, undertaking the crucial preparation work that's essential to an effective summit, agreeing through diplomatic channels on the location and the timing. And that will be announced jointly by the nations involved at the time the agreement is reached.

It is our hope that the agenda will include economic matters, to be sure, but other crucial matters of political and security significance. Just what those matters will be has not yet been decided; what the modalities for those discussions might be has not yet been decided.

ECONOMIC POLICIES

Q. Mr. Mondale, with Europe now moving, or at least indicating its willingness to dump the dollar and move to a new economic system, in order to avoid the kind of austerity and fascism and war policies that the IMF is now imposing on Egypt, weren't you embarrassed to have to represent—coming from the United States—to have to put forward the most

backward energy policies and the most backward economic policies of hyperinflation for Japan and West Germany and deflation for the rest of Europe?

THE VICE PRESIDENT. Due to a breakdown in my briefing, we did not see our positions in quite that light.

FOREIGN NUCLEAR SALES

Q. Mr. Vice President, do you have any hopes that West Germany and France, post your discussions there, may reconsider the sale of nuclear reprocessing appliances to Brazil and Pakistan?

THE VICE PRESIDENT. What we asked in each case was, first, to be heard on the concern of the Carter administration about the dangers and the risks involved in the distribution of sensitive nuclear technology from which weapons-grade material could be developed. We made that point at each of the capitals. And we asked that consultations commence on that matter and on the broader issues of nuclear proliferation at the earliest possible moment. It was agreed that that should occur. It will occur. Arrangements are already being made to do so. And that was what we sought to accomplish and accomplished in those talks.

Q. Do you have an agreement then, tentatively an agreement that they will hold up on those sales until you have a chance to talk specifically?

THE VICE PRESIDENT. All we discussed was the importance of having intensive, early consultations on the matter. There has been no agreement beyond that point.

FUTURE MISSIONS

Q. Mr. Vice President, did you discuss with the President what sort of foreign missions you might undertake in the future and what sort of role you might play in American foreign policy in the future?

THE VICE PRESIDENT. No, we did not. The meeting today involved a report on

the various visits, messages that I brought from foreign leaders, observations that I made about different concerns to the President, and did not involve future possible missions.

ABU DAOUD

Q. Mr. Vice President, did you discuss with President Giscard d'Estaing the release by the French court of the gentleman Abu Daoud?

THE VICE PRESIDENT. Yes. I brought it up briefly and mentioned our President's concern, and then we talked about, in general terms, the need to deal with terrorism.

TERRORISM

Q. Do you think that the subject of terrorism followup should be a matter for the summit to consider when it meets?

THE VICE PRESIDENT. I would just as soon not discuss particular topics at this point, because I think the nations offering the proposals did so in confidence.

GERMANY AND JAPAN

Q. Mr. Vice President, before this trip, several of this administration's officials were expressing concern that the Germans and the Japanese were not moving quickly enough to reflate their economies. Did you achieve any agreement from these two governments in this area?

THE VICE PRESIDENT. We made very clear, first of all, our belief that the stronger economies—which you might call the three great engines, the United States, Japan, and Germany—that are now in strong economic positions do so, should stimulate their economies sufficiently to assist other nations that are in difficulty, so that they would have increased export and, thus, employment opportunities as the result of a heightened acceleration of international economic activities, and that our three nations, particularly because we

are strong economically, should assume as much of that burden as possible.

We also pointed out that because of OPEC surpluses, that we had responsibility to try to assume part of that resultant world deficit in the planning of our economic programs. We made that point with great care and strength. And then, I also reported in some detail on our own economic stimulation package. The other governments then reported on their plans.

There is complete agreement on the part of their leadership, as well as our own, on the need to stimulate. The size, the proportion, the prudence, the relation to inflation becomes exceedingly complex. And what we've agreed to do is to pursue our policies, to consult closely, to monitor the economic indicators as we proceed, to see if we're achieving our jointly agreed objective on a stimulative policy that will help these other nations and help bring about a higher level of international economic activities, bearing in mind the problem of inflation as well.

PAUL RAND DIXON

Q. Mr. Vice President, before you returned, had the news of Commissioner Dixon's statement about "dirty Arab"¹ reached overseas, and do you feel that the Carter administration should apologize to the Arab nations for this?

THE VICE PRESIDENT. I would like, if I might, to stay with the ground rules that my news secretary announced. I have just returned from that long trip, and I'm not up to speed on some of those matters.

FOREIGN NUCLEAR SALES

Q. Mr. Vice President, if both the Germans and, I believe, the French claim that

¹ On January 17, Federal Trade Commissioner Dixon, while attending a convention of the Grocery Association of America, referred to Ralph Nader as a "dirty Arab." Mr. Nader, head of Public Citizen, Inc., is of Lebanese descent.

in their deals with the Pakistanis and Brazilians for those nuclear facilities that there are adequate safeguards—if that's so—what's the problem?

THE VICE PRESIDENT. The position that the administration has taken is that these facilities possess the capacity to produce weapons-grade materials. And to the extent possible, and hopefully, to the fullest possible extent we can prohibit the transfer of this technology—which greatly complicates the problem of control—and that it was our hope that alternatives could be found to deal with the nuclear power needs of these nations, which we accept, which does not include the risk of facilities that can produce weapons-grade material; and that we were willing to consider ways in which secure supplies of low grade nuclear fuel could be made available for plants; that we were willing to consider ways in which these alternatives could not conceivably involve commercial advantage as a result of withdrawing the availability of such nuclear technology; and that we also understood the great complexity of this issue, both from a technical standpoint and from a political standpoint; and that what was really needed at this point and what we were asking for was that the new administration be given time to consult very closely with them and with the other nations about the total picture and what might be done to diminish, reduce, if not eliminate the risks that flow from facilities from which weapons-grade material can be produced.

That's the status of our position, and that's what these consultations will involve.

ECONOMIC SUMMIT MEETING; NUCLEAR
TEST BAN

Q. Two questions, two unrelated questions, if I may. You seemed to be saying earlier that it was the hope of the United

States to expand the summit meeting to some extent, beyond economic questions. Can you elaborate on that for us to give us whatever additional you can on that hope by the United States?

My second question, which is unrelated, is whether or not you discussed with the various leaders President Carter's proposal for a total test ban, nuclear testing ban. If so, what kind of reaction you got and, particularly, if you can tell me what kind of reaction you got from them, if any, on this aspect of it; that is, the Chinese, how the Chinese, how China might fit into that or what their reaction is? Did they tell you anything about what they thought China's reaction would be on it?

So, I've got two unrelated questions here.

THE VICE PRESIDENT. On the first question of the summit, it is our hope that we simply call it the summit, and that all the matters would be on the table that were of mutual concern, whether they were economic or not. We anticipate that economics will be a central concern and obviously, it was a central concern throughout our trip and must be considered as such.

Such issues as nuclear proliferation, North-South dialog, energy matters, and a whole range of other concerns that are not strictly economic but by definition economics, we would hope could freely be included on the agenda on the agreement of the other parties. That's essentially our approach.

We have asked the other nations for their suggestions. We want to be forthcoming and cooperative, and I think that we will be able to work out an agenda that is mutually satisfactory for all.

Q. If I might ask, that would be then an agenda that is considerably broader than Rambouillet and Puerto Rico?

THE VICE PRESIDENT. I will have to stand corrected on that. I guess I'm not

prepared to answer that question. But that's the approach we wished to take.

On the nuclear test ban treaty, comprehensive test ban, that was discussed, and it was agreed there would be additional consultations on the matter. It was touched on briefly, and there will be additional consultations on it.

Q. Can you give us the reaction of any of the leaders you talked to, to a total test ban agreement?

THE VICE PRESIDENT. I don't believe I can disclose their point of view.

Q. Mr. Vice President, could you itemize, sir, the countries that would be included? For instance, would India be included, because India is getting heavy water from Russia, making atomic weapons?

THE VICE PRESIDENT. I mentioned that there were many, many aspects of nuclear proliferation, in addition to those that I've discussed, which really involve what you might call the next generation of concerns about nuclear proliferation; that might involve, for example, as Chancellor Schmidt has suggested, a new follow-on treaty for the nuclear proliferation treaty. It's a very complex, difficult matter that involves consultation. We did not get into all the possible ramifications.

Q. May I ask a followup question, because, you see, once they have the atomic energy given to them, they can create—like yogurt—all you need is a tablespoon of yogurt and you can make more. They make the atomic daughters, you see. So, what do you do with those?

THE VICE PRESIDENT. It is very complex, as your yogurt analogy points out. *[Laughter]*

FOREIGN NUCLEAR SALES

Q. To follow on Herb's question, did the Germans and the French agree to give the administration this time that you asked

for before they take any specific actions to carry out these contracts?

THE VICE PRESIDENT. We agreed to have consultations, and that they would occur immediately on an intensive basis, and that there would be a chance for the free exchange of ideas and alternatives and options. But there has been no agreement beyond that.

SECRETARY OF STATE VANCE

Q. One other question: Was the Secretary of State at your meeting, or if not, how do you plan to brief him and other Cabinet members?

THE VICE PRESIDENT. The Secretary of State was invited to the meeting this morning, but he had testimony before the Hill, and I will brief him thoroughly. He had his representative—Mr. Cooper² was there. But I will thoroughly, also, brief him, as soon as he's through with his testimony.

ASSESSMENT OF TRIP

Q. Mr. Vice President, did you have any disappointments on this trip? I think for example of the French—they didn't agree to expanding the summit beyond economic matters; the Germans really didn't agree to reflate beyond the package. Were there any disappointments for you?

THE VICE PRESIDENT. First of all, in both instances, it was not quite as the question described it. We had a very good talk with President Giscard about the summit, about the issues that should be there. They indicated in private what they've said publicly about the economic summit. And I'm sure that we can work out an arrangement that includes the appropriate items on the agenda, and it is really not a matter of great, serious sub-

² Richard N. Cooper, Under Secretary of State for Economic Affairs.

stance at all. I am convinced it can be worked out.

On the reflation issue, I think it was very helpful. I think there is substantial consensus and agreement now among the stronger economies in the world that it is necessary for our economies to stimulate, to help share the burden of increasing international economic activity—exports and the other—and to help head off protectionism, and to resume progress on the multilateral trade talks, and so on.

I think the talks are very helpful in understanding each other's economic programs. I found some misunderstanding, for example, about just how we intended to proceed. Well, it was helpful to clarify that. And we've begun the process of consulting and monitoring economic progress to make certain that we reach the economic targets that are generally agreed to be necessary.

Now, it's hard to be specific in terms of percentage points, but one of the things we found out when we talked to the other nations was that there was understandable disagreement and doubt as to what certain economic programs would produce in terms of economic stimulation. OECD, for example, has a lower expectation about what our programs will produce than our own Government does. We think we are right. They think they are right.

So that as we go along, we will monitor, carefully calibrate the growth of our economies, based on new information that will come forth on the statistical base that's developed in our nations. So that I think we made a good deal of progress, and it may be a somewhat unbelievable—I came away very, very pleased with the trip, and there were no substantial disappointments.

ECONOMIC SUMMIT MEETING

Q. Mr. Vice President, I don't think the President has set a firm date for a summit. He said some time after the 1st of May.

Based on your findings, did you recommend to him anything about timing, as to whether it would be sooner or later? What are your views on that?

THE VICE PRESIDENT. I want this to be off the record. Mid-year. *[Laughter]*

Q. Mr. Vice President, what can you say on the record? *[Laughter]*

THE VICE PRESIDENT. Don't dare file it. No international explosions.

We now have to consult. We had two or three different suggestions. We now have to consult through diplomatic channels and agree on a summit, but it will be mid-year.

PRESIDENT CARTER

Q. Mr. Vice President, what was President Carter's reaction to your trip? Was there one specific area where he was more excited or enthused about the results you achieved than others?

THE VICE PRESIDENT. No. I would say he was thrilled with all of it. *[Laughter]* He has some new countries he wants me to go to. But he was disappointed in the press corps that followed me. That was his major—*[laughter]*—

ITALY

Q. Mr. Vice President, what impression did you bring back from Italy, not only on the economic situation there but on the short-range prospective of European Communists?

THE VICE PRESIDENT. That was very briefly discussed. Our talks were almost entirely on economic matters and on our plans for economic growth. They were interested in our discussions with the leaders of the German Government and the Japanese Government.

We talked about the multilateral trade negotiations. We talked about their plans to slowly phase out some of the deposits that were developed to try to discourage imports and encourage exports, as a part of their contribution to a more open inter-

national trading economy. And while we did discuss it, it was very brief, and we barely touched on the subject.

U.S. ECONOMIC POLICY

Q. Mr. Vice President, a number of European governments, I think, have suggested that the present administration's economic package isn't big enough. Based on your findings, is the \$31 billion figure flexible? Could it move upwards or is it now fixed?

THE VICE PRESIDENT. The size of our economic package is approximately 1 percent of our gross national product. That's almost identical with the size of the Japanese package. We feel that it will achieve the real economic growth rates that will stimulate our economy, increase employment, increase international economic activity, and will do so short of that, that point that's hard to decide on, where you might reignite inflationary forces.

There was general agreement and satisfaction with that package in other governments. However, OECD, as I mentioned earlier, in their projections doubt—they think that the United States, the German Government, and the Japanese are all being too optimistic in what their stimulative packages will accomplish. And that's why we've agreed to monitor this very closely as we go along, to make certain that our projections are fulfilled.

Q. Mr. Vice President, does your monitoring allow the possibility that this year you might restimulate, when you talk to the Japanese and West Germans more, or will that only be left until next year?

THE VICE PRESIDENT. The nature of the understanding was to simply monitor, based on our own economic indicators, how well we're doing. There was no discussion about what follows, but that we

all wanted to reach these targets of growth that we've described officially.

U.S. FORCES IN SOUTH KOREA

Q. Mr. Vice President, what were you able to learn about the attitude of the Japanese Government toward the President's expressed intention to undertake a phased withdrawal of American ground forces in Korea?

THE VICE PRESIDENT. I think we were able to reassure them that in pursuit of our announced policies of withdrawing U.S. ground forces from Korea, that we intended to do so on a phased basis; that we intended to do it only after the closest consultation with the Governments of Japan and Korea; that we intended to pursue that objective in a way which in no way destabilized the credibility of the security interests of all of the nations involved in the Pacific area; and that we intended to help improve the combat effectiveness of the Korean ground forces; that we intended to retain our Air Force presence in the area; and that we intended completely to fulfill our standing treaty commitments to Japan.

It was my impression that the Japanese leaders were reassured by that presentation, and it helped increase understanding on that objective. As you know, I carried an invitation from President Carter to Prime Minister Fukuda, and he will be visiting the United States, and no doubt those matters and others will be on the agenda of that discussion.

Q. If I could ask a brief followup, in your talks generally, did you detect a high level of interest in what would be the defense and deterrence policies of the administration and any lack of certainty about that?

THE VICE PRESIDENT. No. I think they were quite reassured by my statement

which is, of course, identical with the public—in other words, what we said privately to the Japanese was a careful repetition of what the President's position publicly has been. In our talks with them, I emphasized the fact that the administration does not intend to turn its back on Asia; that we should and will remain an Asian-Pacific power; that our alliance with Japan remains central to our policy in that vast and important part of the world; that we will preserve a balanced and flexible military strength in the Pacific and continue our interests in Southeast Asia.

With respect to Korea, I emphasized our concern to maintain a stable situation on the Korean peninsula. I cited that we will phase down our ground forces only in close consultation and cooperation with the Governments of Japan and South Korea. And we will maintain our air capability in Korea and continue to assist in upgrading Korean self-defense capability. And I think they found that formulation satisfactory and reassuring.

Q. Would you amplify increasing the combat effectiveness of Korean ground forces? Are you planning to give South Korea the sort of weapons that it doesn't have now, or more sophisticated equipment? Are you just saying that, or is there some major program for giving, for upgrading Korean ground forces?

THE VICE PRESIDENT. I think it's a continuation of an existing commitment that we would help the ground forces increase their combat effectiveness. I don't have a specific answer to that. But it does not go beyond that statement.

Thank you very much.

NOTE: The news conference began at 11:10 a.m. in Room 450 of the Old Executive Office Building.

Secretary of the Army

*Nomination of Clifford L. Alexander, Jr.
February 2, 1977*

The President today announced his intention to nominate Clifford L. Alexander, Jr., as Secretary of the Army. Alexander is presently a partner in the Washington law firm of Verner, Liipfert, Bernhard, McPherson and Alexander.

He was born September 21, 1933, in New York City. He received an A.B. degree in American government from Harvard University in 1955 and an LL.B. from Yale Law School in 1958.

From 1959 to 1961, Alexander was an assistant district attorney in the New York County District Attorney's office. In 1961 and 1962, he was executive director of Manhattanville Hamilton Grange in New York. In 1962 and 1963, he served as program and executive director of Harlem Youth Opportunities Unlimited.

From 1963 to 1964, Alexander served on the National Security Council as foreign affairs officer. From 1964 to 1967, he worked in the White House as Deputy Special Assistant to the President, Associate Special Counsel, and Deputy Special Counsel.

From 1967 to 1969, Alexander was a member and Chairman of the U.S. Equal Employment Opportunity Commission, and also served as a civil rights consultant to the President. In 1968 he was a commissioner on the Commission for the Observance of Human Rights Year and served as special Ambassador to the Kingdom of Swaziland.

Alexander was a partner in the Washington law firm of Arnold & Porter from 1969 to 1975. Between 1972 and 1976, he worked for WMAL television in Washington as a news commentator and

as host and coproducer of "Cliff Alexander—Black on White."

He was a professor of law at Howard University in 1973–74. In December 1975, he became a partner at Verner, Liipfert, Bernhard, McPherson and Alexander. Since 1975 he has served on the Judicial Nomination Commission of the District of Columbia government.

Alexander is married to the former Adele Logan. They have a son and a daughter and reside in the District of Columbia.

United States Arms Control and Disarmament Agency

Nomination of Paul C. Warnke To Be Director. February 2, 1977

The President today announced his intention to nominate Paul C. Warnke as Director of the United States Arms Control and Disarmament Agency and special SALT negotiator. Warnke is presently a partner in the law firm of Clifford, Warnke, Glass, McIlwain & Finney.

He was born in Webster, Mass., on January 31, 1920. He received an A.B. degree from Yale University in 1941 and an LL.B. from Columbia University in 1948.

From 1942 to 1946, he served in the U.S. Coast Guard as a lieutenant. In 1948 he joined the Washington law firm of Covington and Burling as an associate, and in 1957 he became a partner in that firm.

In 1966 and 1967, he served as General Counsel to the Department of Defense. From 1967 to 1969, he was Assistant Secretary of Defense for International Security Affairs.

In 1969 Warnke became a partner in the law firm of Clifford, Warnke, Glass, McIlwain & Finney.

From 1962 to 1966, Warnke was a member of the Maryland and District of Columbia Advisory Committees to the U.S. Commission on Civil Rights. He was a member of the board of directors of the Health and Welfare Council of the National Capital Area in 1966 and 1967.

Warnke served as director of International Volunteer Services in 1972, and as a member of the disciplinary board of the District of Columbia Bar in 1973.

He is married to the former Jean F. Rowe. They have five children and reside in the District of Columbia.

Emergency Natural Gas Act of 1977

Remarks on Signing S. 474 and Related Documents. February 2, 1977

While I was Governor, I signed about, I think, 2,500 bills. But this is my first one to sign as President.

I want to thank, first of all, all the distinguished leaders of the Congress behind me who made possible the passage of this important legislation.

We are now in the midst of a very serious energy crisis brought about not so much by the natural shortage of natural gas, but an inability to distribute it where it's needed in our country.

I asked the Congress just a few days ago to give emergency powers to me and to the Federal Power Commission and others to provide some reasonable assurance to the American people that natural gas could be placed in our country where it's needed most.

We now have literally thousands of factories closed down, about 500,000 workers out of jobs, because of the natural gas shortage.

And this emergency legislation which was passed just tonight will now be signed into law. I'm very proud to have a chance to sign this first law into being because it's important to our people. And I hope it demonstrates a good example of a close harmony and close working relationship that I can maintain with the Congress in weeks to come.

After signing the act, which authorizes emergency powers and action, it's also necessary to sign an Executive order declaring that an emergency does exist. And at this time, I'd like to proclaim and declare that a natural gas emergency does exist within the meaning of Section III of this act and, with this signature, implement the provisions of the act which has just been passed.

The third document that has to be signed is one directing the Chairman of the Federal Power Commission to assume the authorities granted to him in this act and, also, to direct the other members of the Cabinet-level agencies in government to initiate action that will make possible the orderly transfer of natural gas to areas where it's needed.

I might add that last night the President of Mexico, my friend, Mr. López Portillo, notified us that they were transferring large quantities of oil and natural gas to our country. And just a few minutes ago, I had a call from Governor Brown in California, saying that because of very strict conservation measures that had been initiated in California, even though they don't have a severe winter situation there, that 10 billion cubic feet of natural gas would be diverted from California to the eastern part of our country where the shortage exists. And

without this legislation the transfer of that gas, in an efficient way, would have been completely impossible. So, immediately, this bill will be beneficial to us all.

By the middle of—I'd say by the 20th of April—we hope to have a much more comprehensive proposal on energy to present to the Congress. And Dr. James Schlesinger, who is assistant to me here in the White House, will be in charge of developing that new energy policy.

So, I'd like to thank all of you again for being so helpful to me and to the country, which is typical of the great attitude that the Congress has always maintained.

Thank you again.

NOTE: The President spoke at 9:02 p.m. at the signing ceremony in the Oval Office at the White House.

As enacted, S. 474 is Public Law 95-2, approved February 2.

Natural Gas Emergency

Proclamation 4485. February 2, 1977

DECLARING A NATURAL GAS EMERGENCY

*By the President of the United States
of America*

A Proclamation

Abnormal weather conditions have caused prevailing temperatures in the United States, particularly in the East and Midwest, to be well below normal for the past three months. Many interstate natural gas pipelines and local natural gas distribution companies do not have sufficient supplies of flowing or stored gas to meet current demand. The shortage of natural gas available to some interstate pipelines and local distribution companies has been so severe as to cause them to

curtail or to be in imminent danger of curtailing natural gas supplies to residences, small commercial establishments and other high priority users, so as to endanger life or health, and risk damage to plant or other facilities.

Other interstate pipelines and distribution companies, however, have more than adequate supplies of natural gas to meet the needs of residences, small commercial establishments and other high priority users.

In light of the severe shortage of natural gas supplies available to some firms and the disparity of natural gas supplies in various regions of the United States, the exercise of extraordinary authority for emergency deliveries and transportation of natural gas pursuant to Section 4 of the Emergency Natural Gas Act of 1977 is necessary to assist in meeting the requirements of natural gas for residences, small commercial establishments, and other high priority users in the United States or regions thereof. No measures other than those authorized by Section 4 of the Emergency Natural Gas Act of 1977 are adequate to assist in meeting the requirements of natural gas for residences, small commercial establishments, and other high priority users in the United States or regions thereof.

Now, THEREFORE, I, JIMMY CARTER, President of the United States of America, by virtue of the authority vested in me by the Constitution and statutes of the United States, including the Emergency Natural Gas Act of 1977, do hereby proclaim and declare that a natural gas emergency exists within the meaning of Section 3 of said Act.

IN WITNESS WHEREOF, I have hereunto set my hand this second day of February, in the year of our Lord nineteen hundred seventy-seven, and of the

Independence of the United States of America the two hundred and first.

JIMMY CARTER

[Filed with the Office of the Federal Register, 12:02 p.m., February 3, 1977]

Administration of the Emergency Natural Gas Act of 1977

Executive Order 11969. February 2, 1977

By virtue of the authority vested in me by the Constitution and statutes of the United States of America, including Section 13 of the Emergency Natural Gas Act of 1977 (Public Law 95-2), and Section 301 of Title 3 of the United States Code, and as President of the United States of America, it is hereby ordered as follows:

SECTION 1. There is hereby delegated to the Chairman of the Federal Power Commission, hereafter the Chairman, all of the authority vested in the President by the Emergency Natural Gas Act of 1977, except for the authority to declare and terminate a natural gas emergency pursuant to Section 3 of said Act. Nothing in such delegation shall be construed as delegating such authority to the Federal Power Commission as a collective body, except insofar as the Chairman may further delegate his authority under Section 3 of this Order.

SEC. 2. The Chairman shall, to the extent he deems appropriate, consult with the Secretary of the Interior, the Administrator of the Federal Energy Administration, other members of the Federal Power Commission and the heads of other Executive agencies in exercising the authority delegated to him by this Order.

SEC. 3. All authority delegated to the Chairman by this Order may be further

delegated, in whole or in part, by the Chairman to any other officer of the United States or to any Executive agency.

SEC. 4. The heads of all Executive agencies shall cooperate with and assist the Chairman in carrying out the authority delegated to him by this Order.

SEC. 5. All Executive agencies shall, to the extent permitted by law, provide the

Chairman on request such administrative support and information as may be necessary to carry out the authority delegated to him by this Order.

JIMMY CARTER

The White House,
February 2, 1977.

[Filed with the Office of the Federal Register,
12:01 p.m., February 3, 1977]

REPORT TO THE AMERICAN PEOPLE

Remarks From the White House Library. February 2, 1977

Good evening.

Tomorrow will be 2 weeks since I became President. I have spent a lot of time deciding how I can be a good President. This talk, which the broadcast networks have agreed to bring to you, is one of several steps that I will take to keep in close touch with the people of our country, and to let you know informally about our plans for the coming months.

When I was running for President, I made a number of commitments. I take them very seriously. I believe that they were the reason that I was elected. And I want you to know that I intend to carry them out. As you probably noticed already, I have acted on several of my promises.

I will report to you from time to time about our Government—both our problems and our achievements, but tonight I want to tell you how I plan to carry out some of my other commitments.

Some of our obvious goals can be achieved very quickly—for example, through executive orders and decisions made directly by me. But in many other areas, we must move carefully, with full involvement by the Congress, allowing time for citizens to participate in careful study, in order to develop predictable, long-range programs that we can be sure are affordable and that we know will work.

Some of these efforts will also require dedication—perhaps even some sacrifice—from you. But I don't believe that any of us are afraid to learn that our national goals require cooperation and mutual effort.

One of our most urgent projects is to develop a national energy policy. As I pointed out during the campaign, the United States is the

only major industrial country without a comprehensive, long-range energy policy.

The extremely cold weather this winter has dangerously depleted our supplies of natural gas and fuel oil and forced hundreds of thousands of workers off the job. I congratulate the Congress for its quick action on the Emergency Natural Gas Act, which was passed today and signed just a few minutes ago. But the real problem—our failure to plan for the future or to take energy conservation seriously—started long before this winter, and it will take much longer to solve.

I realize that many of you have not believed that we really have an energy problem. But this winter has made all of us realize that we have to act.

Now, the Congress has already made many of the preparations for energy legislation. Presidential assistant Dr. James Schlesinger is beginning to direct an effort to develop a national energy policy. Many groups of Americans will be involved. On April 20, we will have completed the planning for our energy program and will immediately then ask the Congress for its help in enacting comprehensive legislation.

Our program will emphasize conservation. The amount of energy being wasted which could be saved is greater than the total energy that we are importing from foreign countries. We will also stress development of our rich coal reserves in an environmentally sound way; we will emphasize research on solar energy and other renewable energy sources; and we will maintain strict safeguards on necessary atomic energy production.

The responsibility for setting energy policy is now split among more than 50 different agencies, departments, and bureaus in the Federal Government. Later this month, I will ask the Congress for its help in combining many of these agencies in a new energy department to bring order out of chaos. Congressional leaders have already been working on this for quite a while.

We must face the fact that the energy shortage is permanent. There is no way we can solve it quickly. But if we all cooperate and make modest sacrifices, if we learn to live thriftily and remember the importance of helping our neighbors, then we can find ways to adjust and to make our society more efficient and our own lives more enjoyable and productive. Utility companies must promote conservation and not consumption. Oil and natural gas companies must be honest with all of us about their reserves and profits. We will find out the difference between real shortages and artificial ones. We will ask private companies to sacrifice, just as private citizens must do.

All of us must learn to waste less energy. Simply by keeping our thermostats, for instance, at 65 degrees in the daytime and 55 degrees at night we could save half the current shortage of natural gas.

There is no way that I, or anyone else in the Government, can solve our energy problems if you are not willing to help. I know that we can meet this energy challenge if the burden is borne fairly among all our people—and if we realize that in order to solve our energy problems we need not sacrifice the quality of our lives.

The Congress has made great progress toward responsible strip-mining legislation, so that we can produce more energy without unnecessary destruction of our beautiful lands. My administration will support these efforts this year. We will also ask Congress for its help with legislation which will reduce the risk of future oil tanker spills and help deal with those that do occur.

I also stated during my campaign that our administration would do everything possible to restore a healthy American economy.

Our Nation was built on the principle of work and not welfare; productivity and not stagnation. But I took office a couple of weeks ago in the middle of the worst economic slowdown of the last 40 years. More than 7½ million people who want to work cannot find it according to the latest statistics. Because of high unemployment and idle factories the average American family like yours has been losing \$1,800 a year in income, and many billions of dollars have been added to the Federal deficit.

Also, inflation hurts us all. In every part of the country, whether we have a job or whether we are looking for a job, we must race just to keep up with the constant rise in prices. Inflation has hit us hardest, not in luxuries, but in the essentials—food, energy, health, housing. You see it every time you go shopping.

I understand that unemployment and inflation are very real, and have done great harm to many American families. Nothing makes it harder to provide decent health, housing, and education for our people, protect our environment, or to realize our goal of a balanced budget, than a stagnant economy.

As soon as I was elected, the leaders of the Congress and my own advisers began to work with me to develop a proposal for economic recovery. We were guided by the principle that everyone who is able to work ought to work; that our economic strength is based on a healthy, productive, private business sector; that we must provide the greatest help to those

with the greatest need; and that there must be a predictable and a steady growth in our economy.

Two days ago, I presented this plan to the Congress. It is a balanced plan, with many elements, to meet the many causes of our economic problems.

One element that I am sure you will like is reducing taxes. This year the one-time tax benefits to the average family of four with \$10,000 in income will be \$200—a 30-percent reduction in income taxes.

But my primary concern is still jobs, and these one-time tax rebates are the only quick, effective way to get money into the economy and create those jobs.

But at the same time, we are reducing taxes permanently by increasing the standard deduction, which most taxpayers claim. Again, this family of four earning \$10,000 will save \$133 on a permanent basis—about 20 percent—on future income taxes. This will also be a major step toward tax simplification, allowing 75 percent of all taxpayers to take the standard deduction and to file a very simple tax return, quite different from the one that you will file this year.

We will also provide tax incentives to business firms to encourage them to fight inflation by expanding output and to hire more of our people who are eager to work. I think it makes more sense for the Government to help workers stay on the payroll than to force them onto unemployment benefits or welfare payments.

We have several proposals, too, in this legislation to help our cities, which have been especially hard hit by nationwide economic problems. Communities where unemployment is worst will be eligible for additional money through the revenue sharing program. A special program of public service employment will enable those who are now unemployed to contribute to their communities in hospitals, nursing homes, park and recreation programs, and other related activities. A strong public works program will permit the construction of selected projects which are needed most.

These will not be make-work projects. They will be especially valuable in communities where budget cutbacks have reduced municipal services, and they will also help to prevent local tax increases.

Now, because unemployment is most severe among special groups of our people—the young, the disabled, minority groups—we will focus our training programs on them.

The top priority in our job training programs will go to young veterans of the Vietnam war. Unemployment is much higher among veterans

than among others of the same age who did not serve in the military. I hope that putting many thousands of veterans back to work will be one more step toward binding up the wounds of the war years and toward helping those who have helped our country in the past.

I realize that very few people will think that this total economic plan is perfect. Many groups would like to see more of one kind of aid and less of another. But I am confident that this is the best balanced plan that we can produce for the overall economic health of the Nation. It will produce steady, balanced, sustainable growth. It does not ignore inflation to solve unemployment or vice versa.

It does not ask one group of people to sacrifice solely for the benefit of another group. It asks all of us to contribute, participate, and share to get the country back on the road to work again. It is an excellent investment in the future.

I also said many times during the campaign that we must reform and reorganize the Federal Government. I have often used the phrase "competent and compassionate" to describe what our Government should be. When the Government must perform a function, it should do it efficiently. Wherever free competition would do a better job of serving the public, the Government should stay out. Ordinary people should be able to understand how our own Government works, and to get satisfactory answers to questions.

Our confused and wasteful system that took so long to grow will take a long time to change. The place to start is at the top in the White House. I am reducing the size of the White House staff by nearly one-third, and I have asked the members of the Cabinet to do the same at their top staff level. Soon, I will put a ceiling on the number of people employed by the Federal Government agencies so we can bring the growth of Government under control.

We are now reviewing the Government's 1,250 advisory committees and commissions to see how many could be abolished without harm to the public.

We have eliminated some expensive and unnecessary luxuries, such as door-to-door limousine service for many top officials, including all members of the White House staff. Government officials can't be sensitive to your problems if we are living like royalty here in Washington. While I am deeply grateful for the good wishes that lie behind them, I would like to ask that people not send gifts to me or to my family or to anyone else who serves in my administration.

We will cut down also on Government regulations, and we will make sure that those that are written are in plain English for a change. Whenever a regulation is issued, it will carry its author's name. And I will request the Cabinet members to read all regulations personally before they are released.

This week, I will ask the Congress for enabling legislation to let me reorganize the Government. The passage of this legislation, which will give me the same authority extended to every President from Franklin Roosevelt through Richard Nixon, and used by many Governors across the country, is absolutely crucial to a successful reorganization effort. So far, news from the Congress, because of their support, is very encouraging.

The Office of Management and Budget is now working on this plan, which will include zero-based budgeting, removal of unnecessary Government regulations, sunset laws to cancel programs that have outlived their purpose, and elimination of overlap and duplication among Government services.

We will not propose changes until we have done our best to be sure they are right. But we will be eager to learn from experience. If a program does not work, we will end it instead of just starting another to conceal our first mistakes.

We will also move quickly to reform our tax system and welfare system.

I said in the campaign that our income tax system was a disgrace because it is so arbitrary, complicated, and unfair. I made a commitment to a total overhaul of the income tax laws.

The economic program that I have already mentioned earlier will, by enabling more taxpayers to use the standard deduction, be just a first step toward a much better tax system.

My advisers have already started working with the Congress on a study of a more complete tax reform which will give us a fairer, simpler system. We will outline the study procedures very soon and, after consultation with many American citizens and with the Congress, we will present a comprehensive tax reform package before the end of this year.

The welfare system also needs a complete overhaul. Welfare waste robs both the taxpayers of our country and those who really and genuinely need help. It often forces families to split. It discourages people from seeking work.

The Secretary of Labor and the Secretary of Health, Education, and Welfare, and others have already begun a review of the entire welfare system. They will, of course, work with the Congress to develop proposals

for a new system which will minimize abuse, strengthen the family, and emphasize adequate support for those who cannot work and training and jobs for those who can work. We expect their first report to be ready within 90 days.

In the meantime, I will support the Congress in its efforts to deal with the widespread fraud and waste and abuse of our Medicaid system.

Reforming the Government also means making the Government as open and honest as it can be. Congress is moving strongly on ethics legislation.

I've asked the people appointed by me to high positions in Government to abide by strict rules of financial disclosure and to avoid all conflicts of interest. I intend to make those rules permanent. And I will select my appointees in such a way which will close the revolving door between Government regulatory agencies on the one hand and the businesses they regulate on the other.

My Cabinet members and I will conduct an open administration, with frequent press conferences and reports to the people and with "Town Hall" meetings all across the Nation, where you can criticize, make suggestions, and ask questions.

We are also planning with some of the radio networks live, call-in sessions in the Oval Office during which I can accept your phone calls and answer the questions that are on your mind. I have asked the members of the Cabinet to travel regularly around the country to stay in close touch with you out in your communities where Government services are delivered.

There are many other areas of domestic policy—housing, health, crime, education, agriculture, and others—that will concern me as President but which I do not have time to discuss tonight.

All of these projects will take careful study and close cooperation with the Congress. Many will take longer than I would like. But we are determined to work on all of them. Later, through other reports, I will explain how, with your help and the help of Congress, we can carry them out.

I have also made commitments about our Nation's foreign policy. As Commander in Chief of the Armed Forces, I am determined to have a strong, lean, efficient fighting force. Our policy should be based on close cooperation with our allies and worldwide respect for human rights, a reduction in world armaments, and it must always reflect our own moral values. I want our Nation's actions to make you proud.

Yesterday, Vice President Mondale returned from his 10-day visit with leaders of Western Europe and Japan. I asked him to make this trip to demonstrate our intention to consult our traditional allies and friends on all important questions. I have been very pleased with his report. Vice President Mondale will be a constant and close adviser for me.

In a spirit of international friendship we will soon welcome here in the United States the leaders of several nations, beginning with our neighbors, Canada and Mexico.

This month the Secretary of State, Cyrus Vance, will go to the Middle East, seeking ways to achieve a genuine peace between Israel and its Arab neighbors.

Our Ambassador to the United Nations, Andrew Young, left last night on a visit to Africa to demonstrate our friendship for its peoples and our commitment to peaceful change toward majority rule in southern Africa.

I will also strive to improve our relations with the Soviet Union and the People's Republic of China, ensuring our security while seeking to reduce the risks of conflict.

We will continue to express our concern about violations of human rights, as we have during this past week, without upsetting our efforts toward friendly relationships with other countries.

Later, on another program, I will make a much more complete report to you on foreign policy matters.

I would like to tell you now about one of the things that I have already learned in my brief time in office. I have learned that there are many things that a President cannot do. There is no energy policy that we can develop that would do more good than voluntary conservation. There is no economic policy that will do as much as shared faith in hard work, efficiency, and in the future of our system.

I know that both the Congress and the administration, as partners in leadership, have limited powers. That's the way it ought to be. But in the months in which I have campaigned, prepared to take office, and now begun to serve as your President, I have found a reason for optimism.

With the help of my predecessor, we have come through a very difficult period in our Nation's history. But for almost 10 years, we have not had a sense of a common national interest. We have lost faith in joint efforts and mutual sacrifices. Because of the divisions in our country many of us cannot remember a time when we really felt united.

But I remember another difficult time in our Nation's history when we felt a different spirit. During World War II we faced a terrible crisis—but the challenge of fighting Nazism drew us together.

Those of us old enough to remember know that they were dark and frightening times—but many of our memories are of people ready to help each other for the common good.

I believe that we are ready for that same spirit again—to plan ahead, to work together, and to use common sense. Not because of war, but because we realize that we must act together to solve our problems, and because we are ready to trust one another.

As President, I will not be able to provide everything that every one of you might like. I am sure to make many mistakes. But I can promise that your needs will never be ignored, nor will we forget who put us in office.

We will always be a nation of differences—business and labor, blacks and whites, men and women, people of different regions and religions and different ethnic backgrounds—but with faith and confidence in each other our differences can be a source of personal fullness and national strength, rather than a cause of weakness and division.

If we are a united nation, then I can be a good President. But I will need your help to do it. I will do my best. I know you will do yours.

Thank you very much, and good night.

NOTE: The President spoke at 10 p.m. from the Library at the White House. His address was broadcast live on radio and television.

President's Personal Emissary to Greece, Turkey, and Cyprus

*Designation of Clark M. Clifford.
February 3, 1977*

The President announced today that he has asked Clark M. Clifford to undertake a special mission to Greece, Turkey, and Cyprus as his personal emissary.

Mr. Clifford will visit all three countries in the near future, on a schedule to be developed in consultation with the three governments concerned.

In Greece and Turkey, Mr. Clifford

will discuss matters relating to our bilateral relations with these two valued allies. Through these consultations he will seek to improve our understanding of matters of importance to them and to the United States.

Mr. Clifford's visit to Cyprus will be designed to enable him to make an independent assessment of the situation on the island, prospects for early movement toward a negotiated settlement, and how we might be of assistance in this process.

He will consult with United Nations Secretary General Waldheim, who will be visiting Cyprus in mid-February, and

with the member States of the European Community. A stop in London and perhaps other European capitals may be included in Mr. Clifford's itinerary.

Mr. Clifford served as White House Counsel during the administration of President Harry S. Truman. In this capacity, he assisted President Truman in the formulation of the Truman Doctrine of March 1947, which extended aid to Greece and Turkey.

He was an adviser to President John F. Kennedy and, by appointment of President Kennedy, served as a member and then Chairman of the President's Foreign Intelligence Advisory Board.

Mr. Clifford served as Secretary of Defense in 1968 and 1969.

Presidential Advisory Board on Ambassadorial Appointments

Announcement of Formation and Membership of the Board. February 3, 1977

The President has invited a group of 20 Americans to constitute a Presidential Advisory Board on Ambassadorial Appointments. The Board, which is comprised of persons with backgrounds varying from education to government and diplomacy, will examine the qualifications of candidates under consideration for certain ambassadorial posts. It will advise the President and the Secretary of State, in confidence, of its findings.

The work of the Board will help to ensure that only qualified individuals are nominated by the President to serve as American ambassadors abroad. The Board will consider prospective nominees for ambassadorial posts for which non-

career individuals are being considered. The names of career Foreign Service officers as well as of prospective nominees from outside the Service will be submitted to the Board by the Secretary of State.

Governor Reubin Askew, of Florida, will chair the Board. To ensure their objectivity, members of the Board will be asked to agree not to accept appointment to an ambassadorial post during their service on the board, or for a period of at least one year thereafter.

Members of the commission on ambassadorial appointments are:

ANNE CLARK MARTINDELL, State senator from New Jersey

JOAN MASUCK, Unitarian Universal Association Planning Committee, Omaha, Nebr.

CHRIS GITLIN, Cleveland Council on Human Relations

NANCY FLAHERTY, assistant for Special Projects for Pittsburgh History and Landmarks Foundation

MARY JEAN PATTERSON, director, Washington office of the United Presbyterian Church

Gov. REUBIN ASKEW, Florida

MAURICE FERRE, mayor, Miami, Fla.

PROFESSOR JOHN HOPE FRANKLIN, University of Chicago

AVERELL HARRIMAN

PROFESSOR STANLEY HOFFMANN, Harvard University

DEAN RUSK

ALEX SEITH, partner, Lord, Bissell and Brook

DONALD STEWART, president, Spelman College, Atlanta, Ga.

TOM O'NEILL, Lieutenant Governor, Massachusetts

MARIA DURAN, television producer, Miami, Fla.

BEN WATTENBERG, author

LEONARD WOODCOCK, president, United Auto Workers

BARBARA WHITE, president, Mills College, California

VILMA MARTINEZ, president and general counsel, Mexican-American Legal Defense Fund

Gov. WILLIAM SCRANTON, Scranton, Pa.

United States Senate Youth Program

*Remarks of the President and Vice
President to Participants in the
Program. February 4, 1977*

THE PRESIDENT. It looks like the camera manufacturers have done a good job.

I just came from a meeting with a new commission¹ that I have set up. For the first time in the history of our Nation we have 20 distinguished Americans who will meet to give me and the Secretary of State advice before a person is appointed to a major diplomatic post.

As you know from having read the news in the recent years, quite often our own Nation has been embarrassed because ambassadors and other very important persons have been appointed not on the basis of merit, but on the basis of a political payoff. This will never again be done in the next 4 years.

We have people on this commission: Governor Reubin Askew from Florida is the Chairman; we have former Secretary of State Dean Rusk; former Ambassador to the United Nations Bill Scranton; former Ambassador Averell Harriman; Leonard Woodcock, who is the head of UAW; and many others of this character.

They will assess in every instance all the people in the United States who come to their attention, and give me a recommendation of the five best qualified persons available for every appointment without regard to whether they supported me or someone else in the campaign, without regard to whether they are Democrats or Republicans, without regard to whether they are from Los Angeles or Des Moines,

Iowa, or Boston, Massachusetts, but without any regard except to merit.

And that is where I have been, and that is why I am a little late. I have been giving this new group their instructions, their charge. They will now move over to the State Department and start assessing people for appointments for those positions. The reason I mention it to you is this: You were chosen in the same way; in a strictly competitive selection process to serve in a very important post for just a short period of time.

But as you work on Capitol Hill as a young, eager, aggressive, competent person, chosen on the basis of intelligence and merit and interested in public affairs, it puts a special responsibility on your shoulders.

One is to have an actual input into the governmental process. It doesn't do any good for you to come in, just observe what is there and leave without having made a mark. But if you will come in, and in a quiet way, learn what is there, talk to one another, think about how it can be better, make your recommendations as you leave, and then take with you a knowledge of how our Government works and how it can be better, I hope this will be a springboard to bring you back later on as a Member of Congress; as an Ambassador to a foreign country; as a U.S. Senator; perhaps as Governor; perhaps as President; perhaps as Secretary of State because you have been given a remarkable opportunity, one that I didn't have when I was a child, when I was a young man.

But you will be able to see now, at first hand, the inner workings of our Government. You will see some things you don't like. I hope you will help me try to change them and help the congressional leaders who have been responsible for this program to help change them. And you will

¹ Presidential Advisory Board on Ambassadorial Appointments.

see some things you like. I hope you can help me and the others to strengthen them.

You have got a great country. And you are part of it. And I hope you won't let this be just a transient episode in your life but an opportunity for you to tie yourself to the Government of the best Nation on Earth.

I have got to go. I can't stay with you. But I would like to introduce to you the finest Vice President that I have ever had work in my administration. [*Laughter*] Fritz Mondale.

THE VICE PRESIDENT. I am sorry the President left before I could return the compliment, because I wanted him to know in many ways he is the best President I have ever worked for as Vice President. [*Laughter*]

I would never be parochial, but I would like, if I might, in addition to the two representatives from Georgia, we are delighted to have with us, if we might find room on the platform for the two from Minnesota; if we could do that.

First of all, I want to say how pleased I am to be here. I have a special connection with the Senate Youth Program because when I was in the Senate, I served as one of the cochairmen a few years ago and worked very closely with the Senate Youth Program.

And my colleague, Hubert Humphrey, was the one who I believe introduced the first resolution, along with Senator Kuchel, and I forget who else, creating the Senate Youth Program. There is nothing like it—as you have already found out, for youth program—perhaps in the world, like the Senate Youth Program.

First of all, you have to be special, as the President pointed out, to be selected as one of two from your State. But, secondly, there is just no program that gives you a better look at Washington, at government, how it really works, and to see

and hear the leadership in government that remotely compares to the Senate Youth Program.

So, I want to congratulate you for being selected. And I want to second the President's point that you realize that with this opportunity comes a special responsibility; because I have been around Washington long enough to watch people like you come down here and watch many of them grow and develop into community leaders, State leaders, public leaders, religious leaders, business leaders, leaders in education—all walks of life. And I hope that will happen to each of you, that you really go back now and let this be not just a great trip that you are on—it is unusual—but the beginning of a magnificent life of public service, that special dimension that we are all privileged to be a part of as Americans in a free society.

Finally, I want to say something about the Hearst family. You know, in our country we have a marvelous institution of philanthropy, of charitable and educational giving, and people of substance often give for various causes. But it is a funny thing. You usually don't see the family that did it, but that is not true of the Senate Youth Program.

Randy Hearst,² Mrs. Hearst, the Hearst family, every year that I have seen, have been here personally, day after day, doing everything that has to be done to make certain that this program is a success. If it weren't for their personal involvement, I don't think it would have succeeded and continued the way it is.

And I want to thank, on behalf not only of the participants here but of the United States Senate—I am no longer Senator, but I get to preside over it—and on behalf of the President—we con-

² William Randolph Hearst, Jr., editor-in-chief, Hearst Newspapers.

gratulate you. But we also want to thank the Hearst family for their special personal commitment to this marvelous program.

Thank you very much.

NOTE: The President spoke at 10:20 a.m. in the State Dining Room at the White House.

United States Ambassador to Lebanon

*Nomination of Richard B. Parker.
February 4, 1977*

The President today announced his intention to nominate Richard B. Parker, of Manhattan, Kans., a Foreign Service officer of Class one, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Lebanon. He would succeed Francis E. Meloy, Jr., deceased.

Mr. Parker was born July 3, 1923, in the Philippines of American parents. He received a B.S. in 1947 and an M.S. in 1948 from Kansas State College. He served with the United States Army as a first lieutenant from 1943 to 1947.

In 1948 he served as executive secretary, Kansas City Commission for UNESCO. He entered the Foreign Service in 1959 and was assigned as consular officer, Sydney. From 1951–53 he was Deputy Principal Officer, Jerusalem, and during 1953–54 he took language training at the Foreign Service Institute in Beirut. From 1954–57 he was political officer, Amman.

In 1957–58 he served as International Relations Officer, Department, and from 1958–61 he was Libyan Desk Officer, Department. In 1961 he took language training at the Foreign Service Institute. From 1961–64 he was political officer, Beirut, and in 1964–65 he was on detail

as a Woodrow Wilson Fellow, Princeton University.

In 1965 he became Counselor of Political Affairs, Cairo, and from 1967–70 he was Country Director for United Arab Republic. From 1970–74 he was Deputy Chief of Mission, Rabat. In 1974 he became Chief of the United States Interests Section in Algiers and on November 12, 1974, he became chargé d'affaires ad interim, Algiers.

Since 1975 he has been Ambassador to the Democratic and Popular Republic of Algeria.

He is fluent in Arabic (Eastern) and French. He is married to the former Jeanne Jaccard, and they have four children.

Reorganization Plan Authority

*Letter to the Speaker of the House and the
President of the Senate. February 4, 1977*

Dear Mr. Speaker: (Dear Mr. President:)

One of the major goals of my Administration will be to reorganize and streamline the Executive Branch to insure the effective management of government programs. An indispensable tool in this effort—one available to every President between 1939 and 1973—will be the authority to submit reorganization plans to Congress for expeditious review and approval. Therefore, I am hereby transmitting to you a draft bill entitled “To reestablish the period within which the President may transmit to the Congress plans for the reorganization of agencies of the Executive Branch of the government, and for other purposes.”

The bill provides for the following changes to the Reorganization Act of 1949:

1. Extends the authority for four years.

2. Amends the reorganization plan procedure to permit the President to amend or withdraw a plan within 30 days of the date of transmittal to Congress. Amendments would not affect the 60-day period for Congressional review.

3. Allows the President to transmit more than one plan every thirty days.

4. Adds a requirement that a reorganization plan specify the expected improvements in management, efficiency, and delivery of Federal services to result from the plan and deletes the provision which requires the enumeration of potential savings.

5. Deletes the provision which requires a plan to be limited to one logically consistent subject matter.

Government reorganization during my Administration will be a joint Executive-Congressional effort. I fully expect that the result will be real and substantial improvement in the way the Federal Government works for our citizens. Therefore, I urge prompt action by Congress to approve this legislation so that we may begin this important work.

Sincerely,

JIMMY CARTER

NOTE: This is the text of identical letters addressed to the Honorable Thomas P. O'Neill, Jr., Speaker of the House of Representatives, and the Honorable Walter F. Mondale, President of the Senate.

Reorganization Plan Authority

*Message to the Congress Transmitting
Proposed Legislation. February 4, 1977*

To the Congress of the United States:

I hereby transmit to the Congress proposed legislation which will restore the President's power to submit reorganization plans to the Congress.

It will revive, with certain modifications, the system through which reorganization plans are developed, under the Executive Reorganization Act of 1949, as amended. Until the authority for this system was allowed to lapse in 1973, it provided an efficient way for Congress and the President to work together to streamline our government.

The reorganization authority which I am proposing is essentially the same authority which has been available to every President since Harry Truman.

Under the authority I seek to have renewed, the President would again be able to submit reorganization plans to the Congress. The plans would automatically become effective after Congress had been in continuous session for sixty calendar days, unless either House of Congress adopts a resolution opposing the plan.

It would also renew the basic provisions of the Act that limit the types of reorganization plans the President can submit. The President would again be permitted to propose plans to accomplish any of the following:

1. Transferring all or part of an agency or its functions to another agency;
2. Abolishing all or part of the functions of an agency;
3. Consolidating, or coordinating, all or part of an agency;
4. Authorizing an officer to delegate his functions; or
5. Changing the name of an agency or the title of its head, as well as the head for any agency resulting from reorganization.

The President would again *not* be permitted to propose plans to accomplish any of the following:

1. Creating a new Executive (Cabinet level) Department;
2. Abolishing or transferring an existing Executive Department;

3. Abolishing or transferring *all* of the functions of an Executive Department;

4. Consolidating two or more Executive Departments or all of their functions;

5. Continuing an agency beyond its statutory termination date;

6. Authorizing an agency to perform a function not expressly authorized by law; or

7. Increasing the term of an office beyond that provided by law.

The existing Act contains several limitations on reorganization plans that I propose to change:

1. *Authority to Amend a Reorganization Plan.*

Under the existing Act, the President cannot amend a reorganization plan once he has submitted it to the Congress.

I am proposing that the President be allowed to amend a plan within thirty days after sending it to Congress, unless the Government Operations Committee in either House of Congress has already rejected the plan. This change would give the President greater flexibility to improve the plan and meet objections to it.

2. *Authority to Submit Additional Plans.*

Under the existing Act, the President may submit only one plan during a thirty-day period.

I am proposing that the President be allowed to submit more than one plan within thirty days. This change would permit the President and the Congress to speed up the reorganization process by dealing with more than one plan at a time.

I am aware that troubles could arise if this provision were abused. The Congress needs time for careful and orderly review of the plans, and both Congress and the Executive Branch would be overburdened if they had to prepare and review a

large number of plans at once. Therefore, the President must coordinate very closely with the Congress to keep the volume of the plans within reasonable limits.

3. *Authority to Submit Plans Covering Different Subjects.*

Under the existing Act, each reorganization plan must be limited to one "logically consistent" subject.

I am proposing that the President be allowed to submit plans covering more than one subject. This change would avoid difficulties in defining "logically consistent subject matter," which could needlessly hinder work or plans which deal with a several functionally-related agencies or departments.

4. *Requirement of Management Improvement.*

Under the existing Act, the President must specify, in submitting each plan, how much money it will save the government.

I am proposing that the President must provide a different set of information with his plans. Instead of detailed savings estimates—which are very difficult to make accurately—the President would provide information on the improvements in management, efficiency, and delivery of Federal services that his plan would produce.

5. *A Four-Year Extension of Authority.*

I am proposing that the Act be extended for a four-year period. Reorganization will be a four-year effort, which should not be halted because the authorizing Act has run out.

Renewing this Executive reorganization authority will help rebuild the public's confidence in government, redeem commitments made to the electorate, and prove to the people who have given us their trust that we are ready to make a fresh start.

Feb. 4

Administration of Jimmy Carter, 1977

I hope the Congress will act soon on this legislation so our work of reorganization can begin.

JIMMY CARTER

The White House,
February 4, 1977.

NOTE: The text of the draft bill was included in the White House press release.

Reorganization Plan Authority

*Remarks on Transmitting
Proposed Legislation to the
Congress. February 4, 1977*

I am looking forward to my first full-scale press conference on Tuesday.

Today, I just have a brief statement to make about a subject that is of importance to me, to the Congress, to the entire Government, and to the people of this country.

I have submitted to the Congress a message—which is available to the people of our Nation to examine—calling for authorization for myself, as President, to reorganize the executive branch of Government. This is a commitment that I made in hundreds of speeches around the country during the 2-year campaign. It was one of the major reasons that I was elected. It requests the same sort of reorganization authority granted to every President from Franklin Roosevelt, in the early thirties, through the administration of Richard Nixon.

If given this authority, I will move aggressively but also carefully, work closely with Congress, and make changes that will be of benefit to all of us in administering the affairs of the people of this country.

I will answer other questions about this and other subjects when I see you Tuesday.

NOTE: The President spoke at 3:40 p.m. to reporters assembled in the Briefing Room at the White House.

Department of Transportation

*Nomination of Four Persons.
February 4, 1977*

The President today announced his intention to nominate four persons for positions in the Department of Transportation. They are:

ALAN A. BUTCHMAN, of the District of Columbia, to be Deputy Secretary of Transportation;

TERRENCE L. BRACY, of Virginia, to be Assistant Secretary of Transportation for Congressional and Intergovernmental Affairs;

CHESTER DAVENPORT, of Maryland, to be Assistant Secretary of Transportation for Policy, Plans and International Affairs; and

LINDA HELLER KAMM, of the District of Columbia, to be General Counsel of the Department of Transportation.

Railroad Retirement Board

*Message to the Congress Transmitting an
Annual Report. February 4, 1977*

To the Congress of the United States:

I hereby transmit the Annual Report of the Railroad Retirement Board for fiscal year 1976.

The Report gives a summary of the Board's operations under the Railroad Retirement and Railroad Unemployment Insurance Acts. During the year, retirement and survivor benefit payments amounted to about \$3.5 billion and went to 1,100,000 railroad workers and depend-

ents. Unemployment and sickness benefit payments of \$218 million were made to almost 170,000 beneficiaries.

The Board's Report also includes the thirteenth triennial actuarial valuation of the assets and liabilities of the railroad retirement system as of December 31, 1974. This valuation is the first completed since the comprehensive restructuring of the system made under the Railroad Retirement Act of 1974.

I commend this Report to your attention.

JIMMY CARTER

The White House,
February 4, 1977.

NOTE: The report is entitled "Railroad Retirement Board—1976 Annual Report for Fiscal Year Ending June 30" (Government Printing Office, 122 pp.).

The message was not issued in the form of a White House press release.

Digest of Other White House Announcements

The following listing includes the President's daily schedule and other items of general interest as announced by the White House Press Office during the period covered by this issue. Events and announcements printed elsewhere in the issue are not included.

January 29

The President met at the White House with:

- Zbigniew Brzezinski, Assistant to the President for National Security Affairs;
- Secretary of State Cyrus Vance, U.S. Representative to the United Na-

tions Andrew J. Young, and Dr. Brzezinski.

The President declared an emergency for the State of Colorado because of the impact of a drought.

The President declared an emergency for the States of New York and Pennsylvania because of the abnormal accumulation of snow and ice resulting from a series of blizzards and snowstorms, which presents a threat to public health and safety in portions of the States.

January 31

The President met at the White House with:

- Dr. Brzezinski;
- senior White House staff members;
- the Cabinet;
- Representative G. V. Montgomery and members of the House Select Committee on Missing in Action in Southeast Asia, to discuss the committee's report;
- Secretary Vance, Secretary of Defense Harold Brown, Gen. George S. Brown, Chairman of the Joint Chiefs of Staff, Bert Lance, Director of the Office of Management and Budget, E. Henry Knoche, Acting Director of Central Intelligence, and Dr. Brzezinski, to review the defense budget.

The President declared a major disaster for the State of Florida because of the impact of severe winter weather on the State's agricultural industry, and the resultant unemployment in agriculture and related industries.

February 1

The President met at the White House with:

- Dr. Brzezinski;
- Secretary Vance, Dr. Brzezinski, Assistant to the President for Congres-

Administration of Jimmy Carter, 1977

- sional Liaison Frank B. Moore, and several Members of Congress, to discuss foreign policy legislative matters;
- Soviet Ambassador A. F. Dobrynin, Secretary Vance, and Dr. Brzezinski;
- Mayor Maynard Jackson of Atlanta, Ga., and Mrs. Carter;
- Kenneth M. Curtis, chairman, Joel McCleary, treasurer, and Jess Hay, acting finance chairman, Democratic National Committee.

February 2

The President met at the White House with:

- Dr. Brzezinski;
- Vice President Walter F. Mondale, Secretary Brown, Dr. Brzezinski, C. Fred Bergsten, Assistant Secretary of the Treasury for International Affairs-designate, Richard N. Cooper, Under Secretary of State-designate, and David L. Aaron, Deputy Assistant to the President for National Security Affairs.

The President declared an emergency for the States of Ohio and Indiana because of the impact of an abnormal accumulation of snow and ice on vital transportation arteries within the States.

The President named Robert Chase as Director of the Community Services Administration on an interim basis. As mandated by the President, Special Assistant to the President Joe Aragon will conduct a 10-day study on the mission and structure of the Administration.

February 3

The President met at the White House with:

- Dr. Brzezinski;
- Governor Julian Carroll of Kentucky;

- Vice President Mondale;
- a group of Hispanic elected officials;
- Secretary of Commerce Juanita M. Kreps and top-level officials of the Department.

The White House announced that the President has directed Jack Watson, chairman of the staff coordinating group on the weather/energy problem, to begin working with Federal agencies to prepare for the possibility of flooding this spring if the melting of the ice and snow occurs under rapid and unfortunate conditions.

The White House announced that Chip Carter and Midge Costanza, Assistant to the President for Public Liaison, would visit Buffalo, N.Y., on February 4, on behalf of the President, to view firsthand the emergency caused by heavy snow.

February 4

The President met at the White House with:

- Dr. Brzezinski;
- a group of black elected officials and Vice President Mondale to discuss black appointments to Federal positions and economic issues;
- members of the Presidential Advisory Board on Ambassadorial Appointments, Vice President Mondale, and Secretary Vance;
- former Senator Mike Mansfield;
- Secretary of Transportation Brock Adams, Assistant to the President James R. Schlesinger, and representatives of the automobile industry and the United Auto Workers, to discuss automobile emissions standards;
- representatives of the Junior Achievement Program's National Business Leadership Conference.

Administration of Jimmy Carter, 1977

**NOMINATIONS SUBMITTED
TO THE SENATE**

The following list does not include promotions of members of the Uniformed Services, nominations to the Service Academies, or nominations of Foreign Service officers.

Submitted February 1, 1977

JOHN F. O'LEARY, of New Mexico, to be Administrator of the Federal Energy Administration, vice Frank G. Zarb, resigned.

Submitted February 2, 1977

CLIFFORD L. ALEXANDER, JR., of the District of Columbia, to be Secretary of the Army, vice Martin H. Hoffmann, resigned.

Submitted February 4, 1977

PAUL C. WARNKE, of the District of Columbia, to be Director of the United States Arms Control and Disarmament Agency, vice Fred Charles Ikle, resigned.

RICHARD B. PARKER, of Kansas, a Foreign Service officer of Class one, to be Ambassador Extraordinary and Plenipotentiary of the United States to the Republic of Lebanon.

**CHECKLIST OF WHITE HOUSE
PRESS RELEASES**

The following releases of the Office of the White House Press Secretary, distributed during the period covered by this issue, are not included in the issue.

Released January 31, 1977

News conference: on the President's economic recovery proposals to the Congress—by F. Ray Marshall, Secretary of Labor, and Charles L. Schultze, Chairman of the Council of Economic Advisers

Released February 2, 1977

Advance text: report to the American people

Released February 4, 1977

Fact sheet: Reorganization Plan Extension legislation

**ACTS APPROVED BY
THE PRESIDENT**

Approved February 2, 1977

S. 474----- Public Law 95-2
Emergency Natural Gas Act of 1977.

PRESIDENTIAL DOCUMENTS

Week Ending Friday, February 11, 1977

Presidential Advisory Board on Ambassadorial Appointments

Executive Order 11970. February 5, 1977

By virtue of the authority vested in me by the Constitution and statutes of the United States of America, and as President of the United States of America, in accordance with the provisions of the Federal Advisory Committee Act (5 U.S.C. App. I), it is hereby ordered as follows:

SECTION 1. (a) There is hereby established the Presidential Advisory Board on Ambassadorial Appointments, hereinafter referred to as the Board, which shall be composed of members appointed by the President.

(b) The President shall designate a Chairman from among the members of the Board.

(c) The Secretary of State shall designate an Executive Secretary.

SEC. 2. (a) The Board shall, whenever requested, make confidential recommendations to the Secretary of State and the President as to the qualifications of individuals for an ambassadorial post for which noncareer individuals are being considered, and such other advice as the President shall request.

(b) In considering the qualifications of a prospective nominee, the Board shall

consider such background information on the requirements of particular ambassadorial posts, evaluation criteria, and information regarding the prospective nominee which may be furnished by the Department of State; and the Board shall consider such other information as it deems appropriate in order to render an informed judgment concerning a prospective nominee's qualifications and suitability.

SEC. 3. Upon request by the President or the Secretary of State, the Board shall consider which ambassadorial posts should be filled by career people and which should be filled by noncareer people, and shall make its recommendations in confidence regarding same to them.

SEC. 4. Board members may not be appointed to an ambassadorial post during their service on the Board nor for at least one year thereafter. The President may waive this provision in specific cases and will in such cases state his reasons for doing so.

SEC. 5. Members of the Board who are not officers or employees of the Federal Government shall receive no compensation from the Government of the United States for their service as members of the Board, but may, to the extent permitted by law, be allowed travel expenses, including per diem in lieu of subsistence,

as authorized by law (5 U.S.C. 5702 and 5703) for persons employed intermittently in the government service.

SEC. 6. The Secretary of State shall, to the extent permitted by law, provide administrative and staff services, support, and facilities for the Board.

SEC. 7. Notwithstanding the provisions of any other Executive order, the functions of the President under the Federal Advisory Committee Act (5 U.S.C. App. I), except that of reporting annually to the Congress, which are applicable to the Board, shall be performed by the Secretary of State in accordance with guidelines and procedures established by the Office of Management and Budget.

SEC. 8. The Board shall terminate on December 31, 1978, unless extended prior to that date.

JIMMY CARTER

The White House,
February 5, 1977.

[Filed with the Office of the Federal Register,
11:49 a.m., February 7, 1977]

NOTE: The text of the Executive order was released on February 6.

Presidential Advisory Board on Ambassadorial Appointments

Presidential Order Appointing Chairman and Members. February 6, 1977

I hereby appoint the following-named persons to the Presidential Advisory Board on Ambassadorial Appointments as indicated:

Chairman
REUBIN O'D. ASKEW

Members
REUBIN O'D. ASKEW
MARIA DURAN
MAURICE FERRE
NANCY FLAHERTY

JOHN HOPE FRANKLIN
CHRIS GITLIN
W. AVERELL HARRIMAN
STANLEY HOFFMANN
ANNE CLARK MARTINDELL
VILMA MARTINEZ
JOAN MASUCK
THOMAS P. O'NEILL III
MARY JEAN PATTERSON
DEAN RUSK
STEPHEN I. SCHLOSSBERG
WILLIAM W. SCRANTON
ALEX SEITH
DONALD STEWART
BEN J. WATTENBERG
BARBARA M. WHITE

JIMMY CARTER

The White House,
February 5, 1977.

NOTE: For the announcement of the formation of the Board, see page 78 of this volume.

Secretary of the Navy

*Nomination of W. Graham Claytor, Jr.
February 7, 1977*

The President today announced that he will nominate W. Graham Claytor, Jr., of the District of Columbia, to be Secretary of the Navy. Claytor is presently chairman of the board and chief executive officer of the Southern Railway System.

He was born in Roanoke, Va., on March 14, 1912. He received a B.A. degree from the University of Virginia and is a graduate of the Harvard Law School, where he was president of the Harvard Law Review from 1935 to 1936.

After serving successively as law clerk to the late U.S. Court of Appeals Judge Learned Hand and to the late U.S. Supreme Court Justice Louis D. Brandeis, Claytor was admitted to the New York and District of Columbia bars, and from 1938 to 1967 practiced law in the District

of Columbia, with the firm of Covington and Burling.

He served on active duty in the United States Navy during World War II. Entering service as an ensign in 1941, he was promoted to the rank of lieutenant commander prior to his release from active duty in 1946. During this period, he served as commanding officer of a submarine chaser, the U.S.S. *SC-516*, in 1942–43, and as commanding officer of the U.S.S. *Lee Fox* from 1943 to 1944, and of the U.S.S. *Cecil J. Doyle* from 1944 to 1945.

He joined the Southern Railway System on September 1, 1963, as vice president—law. He was elected president, Southern Railway Co., on October 1, 1967, and chairman of the board, effective March 1, 1976.

Claytor also serves as president and a director of Southern Railway System companies and as chairman of the board of the Central of Georgia Railroad Co. and other affiliated lines of the Southern Railway System.

He married the former Frances Hammond in 1948 and has two children, a daughter, Murray, and a son, Graham III.

Director of Central Intelligence

Nomination of Stansfield Turner.
February 7, 1977

The President today announced that he will nominate Adm. Stansfield Turner as Director of Central Intelligence. Turner is presently Commander in Chief of Allied Forces Southern Europe (AFSOUTH) with headquarters at Naples, Italy.

Turner is a native of Highland Park, Ill., born December 1, 1923. He entered Amherst College in 1941 and, 2 years

later, was appointed to the United States Naval Academy at Annapolis. After graduation in 1946, he served 1 year at sea before entering Oxford University as a Rhodes Scholar for work on a master's degree.

Following Oxford, he held a variety of sea assignments, including command of a minesweeper, a destroyer, and a guided missile frigate, which he placed in commission. His shore assignments included the Politico-Military Policy Division in the Office of the Chief of Naval Operations, the Office of the Assistant Secretary of Defense for Systems Analysis, the advanced management program at the Harvard Business School, and Executive Assistant and Naval Aide to the Secretary of the Navy.

He was selected for promotion to rear admiral in May 1970, and shortly thereafter assumed command of a carrier task group of the Sixth Fleet while serving aboard the aircraft carrier U.S.S. *Independence*. After that, he directed the Systems Analysis Division of the Office of the Chief of Naval Operations.

On June 30, 1972, Turner became the 36th President of the Naval War College at Newport, R.I., with the rank of vice admiral. During his 2-year tenure there, he instituted major revisions in the college's curriculum to strengthen its academic content.

Effective August 14, 1974, he became Commander of the United States Second Fleet and NATO Striking Fleet Atlantic. He served in that capacity until August 1975, when he was named to become Commander in Chief of AFSOUTH. Upon assuming that position on September 1, 1975, he was promoted to his present grade.

Turner and his wife, Patricia, have two married children, a daughter, Laurel, and a son, Geoffrey.

Office of Drug Abuse Policy

Nomination of Peter G. Bourne To Be Director and Lee I. Dogoloff To Be Deputy Director. February 7, 1977

The President today announced that he will nominate Peter G. Bourne and Lee I. Dogoloff to be Director and Deputy Director, respectively, of the Office of Drug Abuse Policy.

The Office of Drug Abuse Policy was created by Public Law 94-237 of March 19, 1976. These two individuals are the first to hold these positions.

Bourne is presently Special Assistant to the President for Mental Health and Drug Abuse. In 1965-66 he was chief of the neuropsychiatry section for the U.S. Army Medical Research Team in Vietnam. In 1966-67 he was a consultant to the Southeast Asia Health Branch of AID.

Bourne was director of the mental health unit at the Southside Comprehensive Health Center in Atlanta in 1969-71, and founder and director of the Atlanta South Central Community Mental Health Center from 1970 to 1971. In 1971-72 he was director of the Georgia Office of Drug Abuse.

From 1972 to 1974, Bourne was Assistant Director of the White House Special Action Office for Drug Abuse Prevention. Between 1969 and 1972, he was an assistant professor in the department of preventive medicine and community health at Emory University, and in 1974 he was a visiting lecturer in the department of psychiatry at Harvard Medical School.

He was mid-Atlantic campaign coordinator for the Jimmy Carter Presidential campaign in 1975 and 1976. He is the author of "Men, Stress and Viet Nam" (Little, Brown, 1970).

Lee Dogoloff is presently the Deputy for Drug Abuse Prevention in the Office

of Management and Budget's Federal Drug Management Division. He has had extensive experience with drug programs at the local, State, and Federal levels of government.

In addition, he has represented the United States Government at international conferences and has provided technical assistance to a number of countries including Iran, Venezuela, and Thailand, as they develop their own drug programs.

He previously served as the Director of the Division of Community Assistance at the National Institute on Drug Abuse and, prior to that, was Director of Governmental Assistance in the Special Action Office for Drug Abuse Prevention.

Dogoloff has also served as the deputy administrator of the Narcotics Treatment Administration in Washington, D.C., and coordinator of community services for the District of Columbia's Department of Corrections.

THE PRESIDENT'S NEWS CONFERENCE OF FEBRUARY 8, 1977

THE PRESIDENT. As some of you know, this is my first press conference since I became President 2½ weeks ago. My intention is to have press conferences like this twice a month, and I look forward to those confrontations with the press to kind of balance up the nice and pleasant things that come to me as President.

I am eager to answer your questions. I don't have any earth-shaking announcement to make this afternoon. I want to spend a maximum amount of time each press conference to answer your questions.

So, Mr. Cormier [Frank Cormier, Associated Press].

FOREIGN ARMS SALES

HELEN THOMAS [United Press International]. Mr. President, you cited arms reductions as the prime tenet, one of them, of your foreign policy. Under the circumstances, as a first step, will you block the sale of concussion bombs to a foreign country?

THE PRESIDENT. The sale of concussion bombs to a foreign country is an item that concerns me very much. Within the next week, after this review that has already been undertaken is completed, I will have an announcement to make about that. The previous announcement that concussion bombs would be sold was not cleared with the State Department nor with the Defense Department. I have asked them to analyze the political and military consequences of the sale. I am concerned about it but have not yet decided whether to cancel that sale.

Q. Does that mean, sir, that you are considering blocking the sale?

THE PRESIDENT. That is one of the options that I have, and I will make a decision within the next week.

THE PRESIDENT'S VETO POWER

MR. CORMIER. Mr. President, could you give us your general attitude toward vetoes which were quite popular with your predecessor, and more specifically, might you consider vetoing an economic stimulus package if it came to you in a form significantly different than you had proposed?

THE PRESIDENT. I, of course, reserve the constitutional right to veto legislation that I think is contrary to the best interests of our country. But I think the best way to avoid vetoes is to work intimately with the Congress in the initial stages of the development of legislation.

My own economic stimulus package, which was presented to the Congress, was

very carefully worked out, is well balanced, is well considered. It has a steady predictable aspect of it; it's equally balanced between 1977 fiscal year and 1978; it is fair, I think, to the American people; and I think it is adequate. It also was discussed thoroughly with the House and Senate leaders, both those who were elected and those committee chairmen who are responsible for economics, before it was ever announced publicly and before it was introduced.

If such drastic changes were made in it that would cause me to doubt its effectiveness or its advisability, I would of course veto it. But my sense of the Congress attitude is that although some amendments might very well be appended to it, that I can accept the congressional changes. But I will reserve the right, of course, to veto legislation when necessary.

I might say that in every instance—in the preparation of a package of reform that will set up a new energy department, which will be available to the Congress by the first of March, and major energy policy legislation, which will be completed—the study of it—by April 20; and the evolution of welfare reform, which will be completed by May 1, and so forth—I am working very carefully, very closely with the Congress, quite a departure, I think, from the experience under the Republican administration with the Democratic Congress.

So, vetoes where necessary, yes. The number of vetoes in prospect would be very small.

PAUL WARNKE

Q. Mr. President, your nominee to head the Arms Control and Disarmament Agency, Paul Warnke, wrote about a year and a half ago that the U.S. "should try a policy of restraint while calling for matching restraint from the Soviet Union." But Mr. Warnke didn't seem

to believe that that had to be guaranteed in advance in an agreement. Is that a view to which you subscribe, and could you explain why or why not?

THE PRESIDENT. I know Mr. Warnke very well. I've met with him several times to discuss his attitude on disarmament matters. I have complete confidence in him. The first two times I asked him to take the job, he turned me down. We tried to find an alternative who is as well qualified as he is to express my own views and those views that would be acceptable to our country. I was unsuccessful in finding someone to equal him. He finally agreed to take the job, at my insistence, as a public service. I believe that his views are well considered by me. And I've accepted them. I think when the Members of the Senate consider what Mr. Warnke stands for, he will be approved overwhelmingly.

I obviously believe that we both have to take initiatives, the Soviet Union and the United States. Most of our discussions will be bilateral in nature. Subsequently, I hope to bring in other nations to discuss, for instance, comprehensive test ban questions, and others, the European nations who are nuclear powers and also the Chinese. That would come later.

But I believe that Mr. Warnke's proposals are sound. And I have no concern about his attitude. There will be instances on nuclear weapons where each country has to take some initiative. But the overall balance of mutual restraint, cutting down on the overall dependence on nuclear weapons is what counts.

And I might add one other point. Mr. Warnke's positions will be carefully coordinated with my own, working closely with State Department, Defense Department officials. Our decisions with the Soviets will be made public. We will consult with our allies whenever possible. Any

ratification of an agreement with the Soviet Union would obviously require senatorial approval. So, even if I or Mr. Warnke or one other person in the negotiation process should make a mistake, inadvertently, that mistake would be closely scrutinized by the public and, I think, would be corrected. But I have complete confidence in him.

STANDARDS OF CONDUCT FOR PUBLIC OFFICIALS

Q. Mr. President, have you plugged all the holes so there won't be another Watergate or an executive branch scandal, or do you intend to do something more to raise the standard of conduct?

THE PRESIDENT. Well, I think that all of the country has learned a great lesson from Watergate: to have a maximum amount of openness; to have much stricter standards of conduct required by public officials, those appointed and those elected; to scrutinize very closely the appointment procedure so that if someone does have a concealed conflict of interest financially, it might be revealed.

And I think the new election laws have brought us through the 1976 Presidential elections and others with a minimum of obligation on my part to anyone. I was elected not ever having promised anyone to be appointed to a major position.

And I think that all of these concerns that were so vivid during the Watergate months have now been pretty well ratified in the people's minds. And, therefore, I believe that we won't have any danger of a recurrence of Watergate.

I know I will be cautious as President to avoid any legitimate semblance of dishonesty or concealing information the public has a right to know. I know the Congress and others will be watching me closely, which I welcome.

NUCLEAR ARMS REDUCTION

Q. Mr. President, just to follow up a bit on Stan's [Stanley W. Cloud, *Time* magazine] question, could you tell us, sir, do you believe that there should be a rough parity between the nuclear forces of the Soviet Union and the United States? Do you think we ought to, in the arms negotiations, strive for superior force, or do you believe that as long as we have the ability to inflict horrendous damage on them that it really doesn't matter which side has the most bombs?

THE PRESIDENT. At the present time, my judgment is that we have superior nuclear capability. The Soviet Union has more throw weight, larger missiles, larger warheads; we have more missiles, a much higher degree of accuracy, and also, we have three different mechanisms which are each independently adequate to deliver atomic weapons—airplanes, submarines, and intercontinental ballistic missiles. I think that we are roughly equivalent, even though I think we are superior, in that either the Soviet Union or we could destroy a major part of the other nation if a major attack was made with losses in the neighborhood of 50 to 100 million people if a large exchange was initiated.

We have the capability, as do the Soviets, to detect the launching of opposing missiles, and then I, as President, and the leaders in Russia would have to be faced with the question of how much of a retaliatory attack to make. But in the exchange, tens of millions of people would be killed. And the threat of this kind of holocaust is what makes it important that we do keep an adequate deterrent capability. And it also is crucial for all of us to remember that it is necessary to have drastic reduction in dependence on atomic weapons.

Almost every major speech that I have made since I have been involved in national politics, I expressed—committed, first, to stabilize the the situation; second, to have demonstrable reductions in dependence upon atomic weapons and set as our committed long-range goal complete elimination of nuclear weapons from the Earth.

I had a meeting this morning with a representative of the People's Republic of China, and he told me very clearly that the goal of the Chinese Government was to reduce dependence on nuclear weapons to zero.

If we and the Soviet Union can demonstrate an ability to stop the present growth and then to have substantial reductions, I believe, then, we can go to the French, British, the Chinese, and others and say, "Would you join us in stopping testing and in moving in clearly monitorable ways to reduce dependence on atomic weapons?"

SALT NEGOTIATIONS

Q. Mr. President, to follow that up, a little bit earlier, sir, if I understood you correctly, you said that you thought that each of the two countries, ourselves and the Soviets, might have to take some initiatives. Now, I am trying to translate that into some of the problems that we face. Is the United States today prepared to take the initiative perhaps in restraining the development of the cruise missile in order to get something going in the SALT talks?

THE PRESIDENT. I wouldn't want to single out one particular weapon which is still in the development stage, but I will give you a couple of examples that are symbolic in nature, not too profound. One is that I've suggested to the Soviet Union that they let us know and that we let them know before we launch any kind of intercontinental ballistic missile in a test phase.

We launch our missiles from Vandenberg Air Force Base. We don't launch them from the standard silos. The Soviet Union does launch missiles from their standard operating silos for test purposes. I think a prior notice that this launch was going to take place 24 hours or 48 hours would help a great deal.

I've called on the Soviet Union to join us in a comprehensive test ban to stop all nuclear testing for at least an extended period of time, 2 years, 3 years, 4 years. The Soviets are interested in using nuclear explosives to divert the course of a river in northern Russia. I don't think they need to test anymore. If they want to put that as a proviso in the agreement that they would like to go ahead and divert that river, I think that would be something that we could negotiate and let us have observers there to learn from them and vice versa. But I think that the initiation of proposals that might be mutually acceptable of this kind is very, very important.

Now, we have two unresolved questions derived from the Vladivostok agreement called SALT II, and that is the cruise missile and the Backfire bomber. I would be willing to go ahead with the Soviet Union, conclude a quick agreement, if they think it advisable, and omit the Backfire bomber and the cruise missile from the negotiations at this stage. And then in a SALT III talk, if necessary, put those two items back in for further discussion.

But I think it is important for us, without any pressure on me to proceed too hastily, in a very careful and methodical way to demonstrate to the world that we are sincere.

Q. I am sorry to pursue the subject, but if I may ask one more question about initiatives. When Mr. Warnke wrote that, he was apparently talking about weapons systems as well as nuclear warheads. And he

was talking about perhaps restraining the development of a particular weapons system, hoping for reciprocity by the Soviets.

My question is, would you consider saying to the Soviets, say the B-1 or any other weapons system, we are not going to develop it for 6 months, we'd like to see something from you in the way of reciprocity?

THE PRESIDENT. Again, let me avoid reference to a particular weapons system on our side. Let me refer to a weapons system on their side. The Soviets have a missile with limited range—it is not intercontinental in nature—called the SS-20. They have begun to install those missiles in mobile installations where they can move them in a concealed way from one part of an area to another. It makes it very difficult to pinpoint their exact location.

I would like to see the Soviets cease deployment of the mobile missile, even though it is not of intercontinental type. It is very difficult to distinguish it from the intercontinental missile called the SS-16. But if they would agree to a cessation of the use or deployment of the mobile type missiles, for instance, which could be moved around in different locations before launch, that would be a very important point for us to join them in a mutual agreement. It would mean we would not then perhaps spend the large amounts of money to develop our own mobile missile. But if the Soviets should move to a development of an intercontinental missile that can be moved from one place to another undetected, and its location cannot be pinpointed, then that would put a great pressure on us to develop a mobile missile of our own.

So, I think on both sides there has to be some initiation. But as individual weapons systems are restrained, using initiative, you have got to be sure that the overall balance of deterrents is not disturbed.

PUBLIC WORKS EXPENDITURES

Q. Mr. President, the first distribution of emergency public works funds left approximately 23,000 communities, rather 20,000-odd communities, with approximately \$22 billion in requests unfulfilled. Your administration has proposed \$2 billion additional this year and \$2 billion the next. Isn't that still going to leave a long trail of disappointed communities in the country?

THE PRESIDENT. Yes. However, I think it is part of a comprehensive package of 2-year duration that is well balanced. There is a limit on how much money you can spend on public works without wasting money.

And we are asking, through Secretary of Commerce Juanita Kreps, for the Congress to change the allocation formula so that we can orient the available public works money much more accurately where the unemployment rate is highest and where the need is greatest.

FEDERAL PAY INCREASE

Q. Mr. President, do you agree with the procedure under which Congress will get a 29-percent pay increase next week along with other top Federal officials? The question is the procedure. And secondly, do you think this increase is warranted, aside from the procedure?

THE PRESIDENT. President Ford called me before I was inaugurated to ask if I would join him in support of the pay increase that was recommended by the so-called blue ribbon panel. There had not been a pay increase for public officials—judges, and the senior grade executive officers—I think, in 8 years. In many instances, it was greatly disproportionate. I told him I would agree to join him in support of the pay increase, provided he maintained his support along with me for the strict ethics requirement that was also

recommended by the blue ribbon study commission. I have received assurance from both the majority leader and the Speaker of the House—the majority leader of the Senate and the Speaker of the House—that they will push hard for and pass, if possible, strict ethics legislation.

So, I think that the pay increase is justified in most instances. I haven't studied the details of it. And if tied to a comprehensive ethics bill to put restraints on outside earnings and perhaps conflict of interest, I think it overall would be good for our country.

THE OIL INDUSTRY; ENERGY RESOURCES

Q. Mr. President, two of the massive economic dislocations followed the natural gas crisis: the factory closings, the school closings, and the threat of homes going without natural gas. I would like to ask you, who do you think, philosophically, owns America's energy resources? Is it the private oil companies that extract these from the ground or is it the American people? And I'll ask my followup as well. What are your views on nationalization of the oil industry?

THE PRESIDENT. I am against nationalization of the oil industry, to answer the last part first. It is obvious that many of our oil and natural gas resources plus major portions of our coal resources, particularly in the West, are derived from publicly owned lands, both on-shore deposits and the Outer Continental Shelf underneath the surface of the ocean. Those oil and natural gas and coal resources are made available to private firms on a competitive bid basis to explore and then to extract and distribute.

I think this is the best approach to be maintained. I think nationalization of the oil and natural gas business would not be advisable. At the same time, recognizing that the public must be protected, there is a strict regulation of oil and natural gas

prices. We will have available for public scrutiny and for congressional action by April 20, a comprehensive, long-range energy policy. I have asked Dr. James Schlesinger—a well-qualified person, strong, able, intelligent, and, I think, a very dedicated man—to lead the evolution of the energy policy itself.

Our country has not had such a policy to guide it, to guide Presidents, Members of Congress, the public, oil companies, consumers in what might be expected in the future. And I believe when this policy is made public, it will obviously engender a great deal of debate. It is going to require substantial sacrifices on the part of the American people. I am going to try to make sure that all the natural gas companies and others that produce don't derive unwarranted profits when we cut back on consumption and when we encourage production.

This past 2 months, we have imported over half of the total amount of oil that we have used—10 million barrels a day on the average. This has got to stop. We don't have adequate reserve supplies of oil stored to meet our needs if we have another embargo or some other very serious problem in the future.

So, the oil, natural gas, coal, atomic power, conservation question has not been addressed. This is a campaign commitment that I made for 2 years. And my campaign commitment as far as developing a policy will be completed by April 20. But I will try to make sure it is fair and comprehensive. If it is not fair, if it is not comprehensive, the American public will not accept it, the Congress will not, and I will have failed. I don't intend to fail in this question.

RELATIONS WITH CONGRESS

Q. Mr. President, House Speaker Tip O'Neill complained yesterday that some of your top advisers seem to have an atti-

tude of confrontation regarding Congress, and this is only the latest of several complaints from the Democratic leadership, that you haven't consulted with them enough. Looking back on it, do you feel that they are overreacting, or do you feel that you have given them cause for some of their complaints?

THE PRESIDENT. We have given them cause for some of the complaints, inadvertently. We have made some mistakes. I have learned in my first 2½ weeks why Abraham Lincoln and some of the older Presidents almost went home when they first got to the White House. The handling of personnel appointments, trying to get the right person in the right position at the right time is a very, very difficult question. We have not been adequately careful in the initial days in dealing with the Congress.

It is hard for me to decide which person to appoint, to have an FBI check, an Internal Revenue Service check, to have the press constantly trying to get the name before anybody else knows it, to have a Congressman find out by reading it in the newspaper. We have really tried to deal fairly with the Members of Congress, but we have not been always successful. But I have initiated now, as you know, a constant series of meetings with the Congress Members, almost every day. And every 2 weeks, I have a breakfast with the Democratic leadership, and we have a thorough discussion of our differences. And I believe that we have made a great deal of progress in correcting those early mistakes.

DOUGLAS ROBINSON

Q. Sir, you have a man working on energy, Douglas G. Robinson. He was formerly, I think, Deputy General Counsel of FEA. He works with Dr. Schlesinger and Dr. O'Leary. Congressman John Moss sent you some information down at

Plains about information he had uncovered in Congress about the transgressions of this man in not enforcing pricing and protective regulations against oil, gas, and utilities people. Are you keeping him on knowingly, or you just didn't know about him?

THE PRESIDENT. I didn't know about it. But I will check on it after this press conference. I promise.

DEMOCRATIC CONGRESSIONAL
LEADERSHIP

Q. Mr. President, regarding your relations with Congress, Representative Shirley Chisholm, as you know, is the elected secretary of the House Democratic caucus, but she has not been included in your regular Tuesday morning breakfast meetings with the leaders, although her counterpart in the Senate, Daniel Inouye, has been included and participates in those meetings.

My question is, Mr. President: In view of the fact that Representative Chisholm is the first black and the first woman who holds a leadership post and in view of your oft-repeated commitments to those two groups, do you plan to do anything to wipe out this inequity?

THE PRESIDENT. Well, let me say that the attendance at those Tuesday morning breakfasts are not decided by me. I ask the Speaker of the House of Representatives and the Democratic majority leader in the Senate to decide which Members of the two Houses come to have breakfast with me.

I also tell them about the major subject for discussion. This morning, for instance, it was on reorganization. Chairman Ribicoff in the Senate and Chairman Jack Brooks in the House attended the meeting because of that reason. I don't want to get

in the position of inviting specific Members of the Congress to come, but I am sure that if you addressed your question to Speaker O'Neill, he would be glad to give you an answer on it.

Let me say one other thing about that: As far as the executive branch of Government is concerned, I have really tried hard to bring into the Government additional numbers of women and of minority groups. I asked Hamilton Jordan, just before I came over here, for a summary of what we have done so far.

We've only appointed now about two-thirds of the subcabinet members in the major departments, but in those major departments headed by a Cabinet Secretary, we have tripled, more than tripled, the number of women involved. I think in the last administration we had eight women. We now have 29 and the number is growing. We have doubled the number of black Americans who serve in those major positions from 8 to 16, and we have tripled the number of Spanish-speaking Americans.

I would guess that this percentage, two or three times more than has been involved in the past, will grow as the additional appointments are made.

THE SOVIET UNION

Q. Mr. President, there have been a series of actions taken in recent days by the Soviet Union, including the expulsion of American journalists and the arrest of Alexander Ginsburg, actions that we have taken issue with in one form or another. How concerned are you that by being outspoken on issues of human rights that we may jeopardize possibly our relations with the Soviet Union on other matters?

THE PRESIDENT. Well, this brings up the question that is referred to as linkage. I

think we come out better in dealing with the Soviet Union if I am consistently and completely dedicated to the enhancement of human rights, not only as it deals with the Soviet Union but all other countries. I think this can legitimately be severed from our inclination to work with the Soviet Union, for instance, in reducing dependence upon atomic weapons and also in seeking mutual and balanced force reductions in Europe.

I don't want the two to be tied together. I think the previous administration, under Secretary Kissinger, thought that there ought to be this linkage; that if you mentioned human rights or if you failed to invite Mr. Solzhenitsyn to the White House that you might endanger the progress of the SALT talks.

I don't feel that way. I think it ought to be clear, and I have made clear directly in communication to Mr. Brezhnev and in my meeting with Ambassador Dobrynin that I was reserving the right to speak out strong and forcefully whenever human rights are threatened—not every instance, but when I think it is advisable. This is not intended as a public relations attack on the Soviet Union, and I would hope that their leaders could recognize the American people's deep concern about human rights.

I think in many other countries of the world there has been some progress. I think in the Soviet Union there has already been some progress. The number of Jews, for instance, who have been permitted to emigrate from the Soviet Union in the last few months has increased.

If this trend should continue, I would be encouraged. But I would have to take this position of being independent in my own public pronouncements. I've got a lot to learn. I was concerned the other

day, for instance, when the AP reporter¹ was expelled from Moscow. I had at first thought to retaliate by expelling the AP reporter from Washington. But I found out that was not the right approach to take. [*Laughter*]

But we have got to be firm and we have got to be forceful. But I don't want to tie everything together in one package so that we are timid about insisting on human rights.

Q. Do you interpret this in any way as a kind of testing of you by the Soviet Union?

THE PRESIDENT. No, I don't. I don't interpret it as a testing. I regret the fact that the Soviet Union saw fit to expel a newspaper reporter. I regret very deeply the fact that the Soviet Union has now incarcerated Mr. Ginsburg, who has been one of the leaders in the Soviet Union in representing the case of the dissidents. But I can't go in with armed forces and try to change the internal mechanism of the Soviet Government.

But I don't think it is designed to aggravate me or to test me or to test the will of this country. My commitment to human rights is clear. I will maintain that clarity to the maximum extent possible.

I don't want to mislead the American people in dealing with the Soviets or with others. We can't expect overnight success. It requires long, tedious, labored, very carefully considered progress. I am not looking for magic answers, but my determination is very deep.

MR. CORMIER. Thank you, Mr. President.

NOTE: President Carter's first news conference began at 2:30 p.m. in Room 450 of the Old Executive Office Building. It was broadcast live on radio and television.

¹ George A. Krinsky, an Associated Press correspondent who had been reporting on Soviet dissidents active in human rights matters.

Special Representative for the Panama Canal Negotiations

Designation of Sol M. Linowitz.
February 8, 1977

The President today designated Ambassador Sol M. Linowitz to be part-time co-negotiator of the Panama Canal negotiations. Ambassador Linowitz will join Ambassador at Large Ellsworth Bunker in heading the U.S. negotiating team. He will serve as Special Representative of the President with the personal rank of Ambassador.

Mr. Linowitz was born December 7, 1913, in Trenton, N.J. He graduated from Hamilton College in 1935. He then attended Cornell Law School, where he was editor-in-chief of the Cornell Law Quarterly, and graduated first in his class in 1938.

From 1938 to 1942, Mr. Linowitz practiced law in Rochester, N.Y., with the firm of Sutherland and Sutherland, and then became Assistant General Counsel of the Office of Price Administration in Washington. He served as an officer in the U.S. Navy from 1944 to 1946.

Mr. Linowitz returned to Rochester after the war to practice law. He became vice president and general counsel of Xerox Corp. in 1946. From 1961 to 1966, he was chairman of the board of Xerox Corp. From October 1966 until May 1969, Mr. Linowitz was U.S. Ambassador to the Organization of American States and U.S. Representative on the Inter-American Committee of the Alliance for Progress. In 1969 he left these positions to join Coudert Brothers.

Mr. Linowitz is cochairman of the National Urban Coalition, president of the Federal City Council, chairman of the National Council of the Foreign Policy Association, and chairman of the board of

overseers of the Jewish Theological Seminary. He is a member of the National Commission on Critical Choices for Americans and Chairman of the Commission on U.S.-Latin American Relations.

Ambassador Linowitz is married to the former Toni Zimmerman and is the father of four daughters.

Chief of Protocol for the White House

Nomination of Evan S. Dobelle for the Rank of Ambassador. February 9, 1977

The President announced today that he intends to nominate Evan S. Dobelle to have the rank of Ambassador while serving as Chief of Protocol for the White House.

Mr. Dobelle was born April 22, 1945, in Washington, D.C. From 1971 to 1973, he was executive assistant to U.S. Senator Edward W. Brooke. In 1973 he was elected mayor of Pittsfield, Mass., and he was reelected in 1975. He is presently commissioner of environmental management for the Commonwealth of Massachusetts.

Mr. Dobelle completed his undergraduate studies at The Citadel, Military College of South Carolina, and the American University School of Government in Washington, D.C. He received a master of education degree from the University of Massachusetts and has completed his comprehensive oral examinations and all academic courses for the Ed.D. degree.

In addition to his position as commissioner of environmental management, Mr. Dobelle is chairman of the board of advisers of Berkshire Community College, president of B'nai B'rith Adullam Lodge No. 420, a member of the board of trustees of the Friends of Tanglewood, and holds

the rank of major in the U.S. Air Force Auxiliary, Senior Civil Air Patrol.

Mr. Dobelle was formerly on the faculty in government/education at California State University at Los Angeles, Pasadena City College, and the University of Massachusetts. He also taught at the John F. Kennedy Institute of Politics at Harvard University from 1971 to 1973.

Mr. Dobelle is married to Edith Huntington (Kit) Jones of Hamden, Conn. Mrs. Dobelle is a graduate of Colby Junior College for Women and holds a B.A. in education from the University of Massachusetts.

Department of Labor

Remarks and a Question-and-Answer Session With Department Employees. February 9, 1977

THE PRESIDENT. It is probably going to be difficult to hear in here, and I will try to keep my—you can't hear? Very good. Let me go ahead.

I am glad to be over here with you. I understand that I am the first President who ever has had a chance to visit the Labor Department. And I was, as you know, unemployed 3 or 4 months ago, and now I have got a good job.

I know you will do a good enough job so that I won't have to come back. Maybe at the end of 4 years I will be back to get you to help me again, or maybe 8 years—I am not sure yet. [*Laughter*]

I have been looking forward to having a chance to say just a few words to you and then to spend a few minutes answering questions that you might have to propose to me.

ADMINISTRATION POLICIES

As you know, your Department is at the heart of the possible solution to some of

the most serious problems that afflict our Nation. We have got more than 7½ million people out of work who are actively looking for jobs, and you are the ones—just less than 15,000 employees in this Department, most outside of Washington, D.C.—who are responsible for being the bridge between discouragement and despair and poverty and dependence on the one hand, and pride and security and productivity and enjoyment of life on the other. And although many things might look to you, here in this huge building in Washington, as impersonal, the people who look to you for help have real hopes.

How you and Ray Marshall and the other leaders perform your jobs will have a great impact on the consciousness of America and on its strength in the future. For many people, your Department is the connecting link with government, and in the employment security agencies and your relationships with training programs, Job Corps, and other things, you represent our country.

It is very difficult for me to have personal contact with very many people except through the news media, but you and others who work with you have that direct personal contact.

I want to say one other thing. We need to have an aggressive, constant search for a better way to deliver those services. And just because there has been some policy in effect for the last 5 or 10 or 50 years is no reason why we should honor it, unless it is the best policy.

I can see this is a remarkably diverse group—[*laughter*—quite young, on the average, and a lot of women, a lot of minority groups. You bring to government a sensitivity that quite often has been missing. But this is a recent development, and when you superimpose young people who are innovative and aggressive, no matter how many years they might have lived, on

a government structure that is embedded in concrete and can't be changed, it circumvents the hope that people have in us. So, I want you to be aggressive and dynamic and individualistic and working as a team.

I am no better qualified than you are to address the problems of our country. We are partners in a process. And as we go through the next few months with the reorganization effort, I don't want any of you to be afraid of change, because I hope, working closely with you, to bring about a structure of government—the evolution of regulations and policies and guidelines and purposes and instructions and an organizational setup—to make your one life—like mine, which is very valuable in the eyes of God—be meaningful, because each career represented here can either be fruitful or it can be wasted.

I know that all of you quite often work at some financial sacrifice in the Federal Government structure. I want to be sure that every year that you and I spend in government is spent well. I am not going to impose on you from above some instant change that might disrupt your life and make your effectiveness lessened. I want the ideas that come to me to originate with you. And all of my Cabinet members, including Ray Marshall, understand that. So, don't be fearful of change. The change will be initiated by you and will let you do a better job.

I also want you to realize that we are no better than anyone else. Just because I am President and because you work for the Federal Government or hold, even, an exalted job, doesn't make you any better than the unemployed American in Dallas, Texas, that you serve. But quite often, without our knowing about it, people who are not so fortunate as we have a great fear of those who work for the Federal Gov-

ernment. It is almost as though our own Government is our enemy or is foreign to our lives.

I want to be sure that there is always a willingness on your part to reach out and say, "I am here to give you a helping hand," not "I am here to enforce a regulation that changes your life against your wishes."

We are here to serve and not to be served. And we are not masters of anyone, for we represent a government that wants to make other people more independent, more free, more able to make the most of their own talents and abilities.

That is all I have to say to you. Now I want to answer some questions. I see a hand up over here. I hope I can hear the question.

QUESTIONS

DAY CARE CENTERS

Q. Do you propose any changes for day care?

THE PRESIDENT. On day care?

Q. Yes.

THE PRESIDENT. As you may or may not know, I have been a Governor for 4 years, and I have tried as best I could to provide adequate day care services for our people. We, by the 1st of May, will evolve a comprehensive reform recommendation, relating to the broad range of welfare. And I believe that adequate day care centers, with a reasonable ratio between attendance and children being served, can provide a crucial element in the ability of able-bodied Americans to find fruitful work and not be tied to the home.

If the day care services are too costly, or if the regulations imposed on the day care structure are too strict, it is cheaper just to pay a mother to stay home and take care of her own children.

So, the practical interrelationship between the Federal Government, the State,

and local governments and private day care centers is one that requires a great deal of study. But I favor strongly the day care system in our country. As you know, Vice President Mondale was a leader in the Congress in this field, and he and I together have had long discussions about this. And if we can make the day care system practical and not too costly, I believe it will be a very strong and increasingly important component part of an overall welfare system that gets people off dependence on Government and back to work.

FLEXI-TIME

Q. How do you feel about flexi-time in Government?

THE PRESIDENT. I am not familiar—what is that? [*Laughter*] The question asked of me is, “How do you feel about flexi-time in Government? I am new around here. [*Laughter*]

I think, though, that we will have to start pursuing new ideas of that kind for several reasons. One is to get maximum benefit from the heat and energy sources that we utilize and, also, to give families a little more flexibility in their own structure. So the basic concept is one that I think is worthy of attention. If you have specific ideas, you might give them to Secretary Marshall. And as we put forward our approach on reorganization, on energy conservation and, also, on transportation, welfare, this kind of concept would cover a broad range of opportunities. I don’t know the answer to your question, but that is the best comment I can make.

ENERGY REBATE PROPOSAL

Q. Your rebate proposal, which is part of the economic stimulus package, is designed to help the economy as a whole. But how can you assure that that money will not go into paying heating bills?

THE PRESIDENT. The question was, my rebate proposal, which is part of the economic stimulus package, is designed to help the economy as a whole. How can I assure that that money will not go into paying heating bills? Is that correct?

I don’t want to insure that the money does not go into heating bills. I have no reason to oppose that rebate going to pay for heating bills or other bills incurred.

Of course, when you do that, that releases other money to be used to buy products that have been manufactured or assembled. But the point of the rebate itself, which, as you know, is a small portion of their overall package—less than one-third—is to have a very early stimulus for the economy. Most of the effort that goes into the economic stimulus will come through your Department and the Department of Commerce. But there is no way that we can get a large quantity of money into the economy by, perhaps, April, other than to give a flat rebate to the people which would, for a \$10,000-income family with four people, amount to about a 30-percent rebate for the income taxes that they would have paid for last year.

So, if the families use that money to buy food or to buy clothing or to make the down payment on an automobile or to pay the heating bill, I have no fear about the prospect of that happening and would not try to prevent it.

OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION

Q. Could you comment in regard to the Occupational Safety and Health Administration?

THE PRESIDENT. The question is about the Occupational Safety and Health Administration. Let me take off my coat. [*Laughter*] It is not because of the question. It is because of the temperature. [*Laughter*]

I think that of all the beneficial legislation that has been passed by the Congress in recent years, the one that has the best prospect of improving the lives of American workers and the one that had the most adverse acceptance has been the OSHA program.

I have seen this as a businessman. I have seen it as a businessman, and I have seen it as a candidate for 2 years, and I have seen it as Governor of a State. And I believe that the OSHA program can be both well administered and well accepted by the business and the labor community.

We need to have, though, some sensitive approach at the delivery end of the OSHA program, with a minimum number of regulations, a maximum amount of common sense, a maximum amount of input in regional hearings or discussion or forums around the country. And both the new Administrator of the OSHA program and Secretary Marshall and I have already discussed this question.

But I think OSHA can be a great program. The concept is good. I intend to enforce the law rigidly, but I also hope that we can have an acceptance of the OSHA program by the business community. But there would be no backing down on the concept or the purpose of the law concerning OSHA. I just want to make sure that it is administered with a maximum amount of support from labor and of industry.

FISCAL POLICY

Q. Can you comment about the monetary policy being combined with the fiscal plan?

THE PRESIDENT. As you know—the question is about the monetary policy to be combined with the fiscal plan—there are three entities in the Federal Government that can have impact on the monetary policies of our Government. One is

the Federal Reserve Bank Board, headed by Dr. Burns. As you know, he is quite conservative, and he wants to make sure that there is an even flow of new money coming into the economy, ranging from 5 percent to roughly 7 percent to 7.5 percent, and he has the ability to open or close those gates to let money flow into the economy. He has shown a strong inclination to work closely with me and the Secretary of the Treasury and others.

The second control of the monetary supply in this country comes from the President and the Cabinet officers who evolve the budget for the year. Increased spending by the Federal Government could obviously increase the flow of money into the financial structure of our Nation. And the other source of control, obviously, is the Congress, with the package of tax rebates and other changes in the tax laws, and so forth.

So, those three have to be intermeshed to a maximum degree. I hope that we could maintain roughly the monetary supply levels that have been maintained in recent months, and that we can have above and beyond that, the stimulus of roughly \$15.5 billion per year for the next 2 years in our extra program to the Congress.

I might point out that that is just about 1 percent of the gross national product of our Nation, and I think any extra stimulus above that 1 percent would be inflationary in character. I believe it's about a good balance.

But obviously, they are interrelated, and I and the Congress have about two-thirds of the control over the monetary system. I would say the Federal Reserve Board has the other one-third.

ZERO-BASE BUDGETING

Q. Do you have any comments on management by objective?

THE PRESIDENT. Management by objective? It is hard for me to answer your question well without knowing what management by objective means. But I will do my best. [*Laughter*]

We will initiate this year, in preparation of the 1979 fiscal year budget, a new system called zero-based budgeting. This is a very good management system with which I am familiar. We had it for 4 years in Georgia. What it does, it strips down your department's activities every year to zero. You start from scratch. Just because something has been there 20 or 30 years doesn't mean that it is sacred and won't be reassessed. And you have new programs each time, compared with the old programs already in existence, arranged in an order of priority, so what money is allotted to the Labor Department would be spent for the most needed programs for the coming year.

The second thing it does is it lets employees deep within the department have an input into the budgetary system each year. If you would analyze what you do, or your supervisor will analyze what their people do, quite deeply within the department on a one-page form, and make beneficial suggestions, and then that comes on up step-by-step to the department level, and then, ultimately, to me and the Office of Management and Budget.

What this does, in effect, is establishes management by objective. You, your Secretary and I decide jointly what we hope the Labor Department will accomplish, and that is our ultimate objective or goal.

Some of those things can be accomplished at the end of 1 year, some 5 years, some 10 years. And after those objectives are delineated and decided upon, they are made public to the Nation, mostly through my statements or your Secretary's statements—sometimes Congress—

and then we prepare the budget in order to accomplish those goals.

So, management by objective as I have just defined it will be part of the administration that I will head.

LABOR DEPARTMENT REORGANIZATION

Q. Mr. President, do you have any specific plans for reorganizing the Labor Department that you want to tell us about today?

THE PRESIDENT. No. [*Laughter*] The question was, do I have any specific plans for reorganizing the Labor Department that I want to tell you about today. And the answer is no. We won't come up with any comprehensive reorganization plan for the Labor Department without you being intimately involved in the process. We are not going to try to get off in a corner somewhere and devise something and spring it on you.

LABOR UNIONS

Q. Mr. President, what do you think about the relationships that exist between the labor unions and management within the Department of Labor itself?

THE PRESIDENT. The question is one that I am not prepared to answer—how do I feel about the relationships, I guess that presently exist, between the labor unions and management within the Labor Department itself.

I know that there have been disagreements, and I am not familiar with the points for debate and am not prepared to answer that question.

But I know that Secretary Marshall is a kind of Secretary of Labor who has been out in the field, in factories, working with people who have legitimate grievances. He is an extremely good negotiator who combines that with the practical knowledge of the problems of working people.

And I believe that you will find, without casting any criticism on previous Cabinet officers over here, that he will be one of the best qualified to understand your point of view. And to the extent that your point of view is compatible with my point of view, I am sure he will do a good job. I don't know the details.

FEDERAL REGULATIONS

Q. Mr. President, what are your plans for requiring that the Secretary of Labor read the regulations that are promulgated by this Department and that the regulations, as prepared, are signed by the person responsible for their preparation?

THE PRESIDENT. The question is a very good one that I anticipated hearing. [Laughter] He said what are my plans for requiring that the Secretary of Labor read the regulations that are promulgated by this Department and that the regulations, as prepared, are signed by the person responsible for their preparation?

I am very serious about cutting down on the excess regulations issued, and I am also very serious about making sure that when the regulations are written, that I and the people who have to follow them can understand them.

I have already asked all the Cabinet officers to personally read the regulations that are promulgated by the department. It might take all their weekends for a while. I don't object to that.

I think after a while, if the Secretaries themselves know what is going forward from their department, they can make sure, first of all, that it represents the proper philosophy that's part of the department's attitudes; secondly, that they are not excessive or too complicated.

Also, I believe that a lot of people—as is the case when I issue a proclamation—a lot of people are involved in the prepara-

tion of it. But someone who is responsible for, say, OSHA, when that regulation is promulgated, ought to put their name on it. They are responsible for the language involved. They are responsible for the attitude expressed in the regulation, and they are responsible to the Secretary if the regulations are too voluminous that it takes up his whole weekend to read them.

By the way, I had a meeting this morning with my own staff, with key members of the congressional committee, like Government Operations and others, to try to simplify the laws that relate to the regulation-writing process. And I hope that all of us can work together to make sure that the regulations are minimal, clear, well written, and accurately express the philosophy of the department.

Q. [Inaudible]

THE PRESIDENT. No. The question is we have, obviously, a need to issue regulations and instructions and interpretations of laws.

I am not trying to abolish the preparation of regulations. But the only reason that you prepare a regulation is that it be enlightening to the people who have to comply; that it be a directive to your own field workers to require conformity with Federal law and, also, uniformity of administration around the country; and, also, so that those people's lives who are touched by the regulation are treated fairly; and it's the intent of myself and Congress to carry it out.

So, I think it is a very good move to minimize the volume of regulations, to make sure they are written clearly, and to make sure they are compatible with the intent of Congress and your leaders and my own. But I don't want to eliminate all regulations, obviously. I just want to make sure that those that are issued carry out those purposes.

OCCUPATIONAL SAFETY AND HEALTH
ADMINISTRATION

Q. Mr. President, when will the new director of OSHA be named?

THE PRESIDENT. The question is, when will the new director of OSHA be named? Within the next week; she has already been chosen.

PAPERWORK REQUIREMENTS

Q. Mr. President, how do you eliminate the conflict between the Government requiring information on which to base proper decisions, and the overburdening of business leaders and others in the preparation of reports?

THE PRESIDENT. The question is, how do you eliminate the conflict between the Government requiring information on which to base proper decisions, and the overburdening of business leaders and others in the preparation of reports.

That's compatible with my concern about excessive paperwork that originates with the Government. In many instances, there is a possibility that several departments might share one form report that comes from, say, a small businessman like myself. There is no reason why HEW, HUD, Commerce, Labor, for instance, can't get together over a period of the next few months, prescribe one form that might be submitted to you either annually or quarterly, and let the form be such that the different departments can get a copy of it. But if the businessman has to prepare each individual form different months of the year, it creates an extraordinary amount of work on them and an aggravation that makes sure that they don't do a good job in the preparation of that information.

Also, I think it is good for us to reassess the actual need for information that comes

in from around the country. A lot of information that I have to fill out at Carters Warehouse, I would doubt ever is looked at when it gets to Washington. But 20 years ago, there may have been a real need for it, for instance, during the Second World War, during the Korean war. But I think we need to reassess the amount of information that is requested to make sure that the information is not duplicated among departments and also make sure that information that you got last quarter, which doesn't change, is not required every quarter of every year. This is a very tedious process.

And I might say one other thing. Talking about regulations and about reports from around the country, I am not the proper person to decide what information is needed, and I am not the proper person to decide what goes into a regulation. The best persons able to do that are the ones who presently fill out the forms or prepare the forms to be filled out by the business people and the ones who write the regulations.

I would hate for there to be a difference of opinion between you and me on that subject. And I hope that you will join in the spirit of the suggested change to make your own jobs easier and to make the information derived from around the country more accurate.

Now, I get most of my assessment of the labor market, the number of unemployed, how well the product of training schools, colleges, high schools are matched with jobs available, from you. And to the extent that that information is accurate, I can make a proper decision about what to do in the future of our country. But I don't want you to feel that you and I have a battle going on, with you continuing to write regulations the way they have been writ-

ten and me trying to change you. I would hope that those who are expert in the field would provide the answers to the difficult questions that I am not prepared to answer now.

Maybe one more question. Yes, sir?

FEDERAL-STATE RELATIONS

Q. Mr. President, what are your views about the role to be played by the States in carrying out the functions of this Department?

THE PRESIDENT. The question is, what are my views about the role to be played by the States in carrying out the functions of this Department—I guess, in almost every aspect of its work?

My own inclination is to shift as much responsibility as possible to the States and local governments, but to provide conformity and continuity and direction from the Federal Government. Now, this is something that can be done and on a shared basis.

I am going to work very closely with all the Governors of our Nation. Later on this month, Ray Marshall and I will be meeting with all 50 Governors, and we will seek advice from the Governors about what role they would like to play. If we consider it to be feasible within the bounds of equity and fairness and uniformity, we will work to make sure they can carry out these roles. But I would reserve the right to make that decision as President, and of course, we will have to work closely with the Congress.

So, as a general rule, what the local and State governments can do effectively, I am prepared to let them do it. Ray Marshall and I and the Congress will make the ultimate decisions, but we will seek advice from the Governors as to how to proceed. This month will be our first meeting

with all 50 Governors, I think on the 28th day of February.

Let me say in closing that I don't claim to know all the answers. I have only been on this job less than 3 weeks. I have got a lot to learn. And I consider that you and I, no matter if you have just been here 3 weeks or 30 years, are partners. You are just as important for the proper functioning of our Government and the attitude of our people toward our Nation's Government as I am. And I hope that you would feel that I am sincere in this statement.

I mean what I say. And if there is a special problem that you have, I hope that you will let those problems be felt. Ray Marshall is a man in whom I have complete confidence. I believe that the main reason that I chose him above many other people who were available for the job was because of his intimate knowledge of the special attitudes and problems of working people of the Nation, both those who are employed and those who are unemployed.

I would consider it a major test of his ability, how well he is able to serve the needs of those, like yourselves, who work directly under him. And if he can't extract from you an optimum amount of contribution, compatible with your ability and talent, then he and I both will have failed.

So, we are eager to hear from you, and all the changes that might be in concept form for the next few months will be derived primarily from you. Be aggressive about it. Be innovative about it. Preserve what is right and fair and that works, and I think you will find that working conditions will be good and that you and I both can do a good job, maybe make the people of this country proud for a change.

Thank you very much.

NOTE: The President spoke at 1:42 p.m. in the auditorium at the Department of Labor.

Department of Commerce

Remarks and a Question-and-Answer Session With Department Employees. February 9, 1977

THE PRESIDENT. I would like to say to Dr. Taylor¹ that as a farmer, as an engineer, as a scientist, I am not familiar with the protocol either, but it has been a very pleasant exchange between me and him.

There are some new things that are occurring in our country, some that relate directly to your Department. I don't know how many former Presidents have come over here to visit, but I doubt that you have ever seen a President kiss a Secretary of Commerce before. [*Laughter*]

As you know, I had literally tens of thousands of people in this country who were willing to serve as Secretary of this great Department. One of the major responsibilities on my shoulders after the election in November was to choose the best Cabinet members I could find. I wanted people with superb professional qualifications. I wanted those who could bridge the gap that quite often exists between government and people.

I wanted someone who could understand the complexities of the enormous bureaucratic entities that comprise the departments like your own. I wanted someone with sensitivity, someone with intelligence, someone with a vision of what our Nation is, and more importantly, what it can be; and someone who was compatible with me.

I made the right choice in the Secretary of Commerce, and I am very proud that you have a leader who meets all these qualifications.

Juanita Kreps is someone who can bring to you, I think, a renewed oppor-

tunity to take your own valuable lives, the tremendous talent and ability and experience and training that you have individually, and to use those talents with the maximum degree of service to our people.

ADMINISTRATION POLICIES

Your Department is so important. I know many of you see the function of your Department perhaps as Dr. Taylor mentioned from the viewpoint of a single entity responsible for our Nation's standards, the collection of data, the analysis of information about employment opportunities, the protection of the quality of our environment, the concern about the oceans, the development of our cities, the problem of assessing long-range projections on weather, and the development of an adequate maritime structure.

So many things are in your hands, and I know you always feel the importance of your service to the greatest government on Earth.

We have a long way to go, however. In the aftermath of the recent years, with an unfortunate war in Vietnam and with the revelations about the CIA violating the law and with the Watergate revelations, there have been evolved in the hearts and minds of American people an alienation from government and sometimes a distrust of government and a lack of appreciation of the constant, dedicated, sometimes sacrificial service that you exhibit.

I want to do what I can as an embryonic President, who has never served in Washington before, to strengthen the ties that exist between people who don't serve in government and you and me.

We are absolute equal partners in sharing that responsibility. It is just as much a part of your life as it is mine. And when I stand before the television cameras or when I travel around this country or when I answer questions for the news media, in

¹ John Taylor, a Commerce Department employee for 48 years, introduced the President.

a way I speak for you. And if I do a good job, it brings an increased, enhanced appreciation for what you do, and when you fail, then I also take the consequences of that failure.

So, in a very practical way, we are partners in making sure that our Government is worthy of respect and trust and appreciation. And I know that you have always done your part—sometimes 3 or 4 weeks, like myself, sometimes 48 years, like Dr. Taylor. And we have such a wonderful opportunity to serve.

I doubt that any other person in the Nation has traveled more than I have the last 2 or 3 years or met with more people or made more talks or answered more questions or learned more about our country. There is an excitement, there is a hope, there is a confidence that exists—that I hope that I will never betray—that exists among the people of our country.

You have got a direct responsibility for trade, the interrelationship with other nations, and I see the importance of this Department so great that for the first time, I believe, in the National Security Council meetings, Secretary Kreps has been there to work with me and the Secretary of State and the Secretary of Defense and the CIA Director and say what should our Nation do to enhance its strength, in a legitimate way, and to arouse the appreciation and trust of other nations, which is the best basis for long-time peace.

It is not just the building of military strength, it is a building of our relationship with other nations so that we can share responsibilities in a peaceful means and not be distrustful of one another. Competition is good. We can hold our own. Americans are competitors. We are confident of ourselves, but confidence need not be translated into arrogance.

And arrogance is something that is a temptation for us all. I have tried to re-

move as much as I could the trappings and pomp and ceremony that has in the past followed Presidents. I don't want "Ruffles and Flourishes" played when I walk into a group like this. I am just one of you. In a democratic government, we ought to always remember that we are nobody's boss; we are servants. And to the extent that we can keep that consciousness in our minds, we can be better servants. We get enough appreciation if we do a good job. We need not bring it to ourselves with artificialities.

The last point I want to make is this: I have got a lot to learn. We are going to have an aggressive and dynamic administration. There will be a constant stream of comprehensive suggestions going to the Congress which, in my opinion, are long overdue: a complete reform of the welfare system; for the first time a comprehensive policy on energy; a tangible addressing of the problems of equity in our tax laws, trade laws; interrelationships with our friends around the world and our potential adversaries around the world. And you are part of that process.

We are going to analyze the structure of government, and when needed, we are going to reorganize the structure of government. We will never get off in a corner or in a closet or in the Oval Office with me and your own leaders and devise a change that would effect your own lives without your having an opportunity to originate the ideas for those changes.

If something is there for the last 30 or 40 years, and can be improved, I would like for you to take the initiative to recommend the improvement, and to the extent that you aggressively and enthusiastically involve yourselves in searching for better ways to do things, you can be part of the process of change.

If you withdraw into a corner or into your own closet and say I am not going to participate, they are trying to shape my

life, to that extent you will be isolated. Chances are the changes will be made anyway, and you will be removed from an opportunity to contribute.

We are not going to change things just for the sake of change. What I want to do is to have an efficient, economical, purposeful government within which every employee, including the President, has a chance to use our ability and talent to an optimum degree, to serve others, not ourselves. And I think that this will be an exciting time.

I hope to establish, along with your help, a continuing good relationship with Congress. I don't consider Congress to be my enemy. I consider them to be my partner, because I represent every one of their constituents and so do you.

This afternoon I have come over here not to make a speech, maybe to talk 8 or 10 minutes, which I have already done, and to try to answer your questions.

As you know, as I have said already, I am new on the job. I don't plan to be able to answer all the questions. I am here to learn. But I want to demonstrate in a natural way without any subterfuge that I am part of the same government you are.

I hope that on occasion—I haven't talked to her about this—that Secretary Kreps might repeat this kind of interrelationship with you so that an hour or so, every few weeks, you might have a chance to stand in your place and ask a question or to make a criticism or suggestion, to do it either verbally, if you choose, or in written form.

We will try to make sure that our budgeting process, using the zero-based budgeting technique, includes you in the decisions that might go into the evolution of next year's budget. It will give you a chance to see what you are doing, how you could do it better, and to make your

suggestions known to her, to the Office of Management and Budget, and to me.

If anybody has a question now, I will try to answer it. I will try to keep my answers brief and cover as many questions as I can. I think they have set up, by the way, microphones in the aisles so that your questions might be heard. So, if you do have a question, you might go to one of the microphones and give it to me. Yes, sir?

QUESTIONS

MANAGEMENT IMPROVEMENT

Q. Mr. President, my name is David Larkin. I am sure I speak for all the employees of the Department in thanking you for the opportunity to ask questions of you. It certainly marks a welcome improvement in employer-employee relationships, and it should help us to be more responsive to your leadership.

THE PRESIDENT. That is enough. That is fine. Just stop right there.

No, I will give you a question, too. [Laughter]

Q. Here is my question, Mr. President: Have you had an opportunity to review the Presidential Management Initiatives program that President Ford started last summer, and if you have, do you intend to continue that or a similar management improvement belt-tightening type of program regarding the internal workings of the Government?

THE PRESIDENT. Yes. I am familiar with the program as it was initiated by President Ford. I think it is an excellent idea. The management of the Government by establishing specific goals will be part of my own administration's policies.

In addition to that, the zero-based budgeting technique is a very simple process by which the fiscal year 1979 budget will be prepared. It not only goes to the management level but it goes to the sub-management level deep within the struc-

ture of the Department. By using a one-page written form, which you can fill out not even with a typewriter but a ballpoint pen, you analyze what you are presently doing, about how many people work on that project, how much money you spend every year, how you think our own function can be enhanced or made more effective, and then those recommendations, filled out by you, come up slowly but inexorably to the head of the Department, your Secretary, and then eventually to me.

We also will evolve structural changes in the entire government process. We might even shift an entire function from one department to another on occasion. I would think there would be few of those that would affect the Commerce Department.

But in addition to that, we will try to analyze structural changes within the departments. We hope to have authority for that from the Congress without too much delay. I think the Senate has already completed their hearings on the reorganization bill, and it will be passed, I think, in the Senate quite shortly. There will be some additional time required in the House. But I think this will come through.

And the last thing that would give you a chance to expand upon the management improvement concept is in the evolution of written goals and policies to be pursued. We will try to set down not only what we hope to accomplish at the end of the fiscal year 1979 but what we hope your Department and your lives will accomplish at the end of 2 years, 5 years, 10 years, and in some instances, 15 or 20 years.

I want to be sure that you have an input into the evolution of a better way to analyze weather concepts, an input into better ways to strengthen the ties between the maritime forces and the Navy forces in time of peace and war. When we evolve by the end of April a comprehensive energy policy for our Nation—it has very

serious interrelationships with transportation and commerce and environmental consequences. I want to be sure you have an input into that.

So, I will depend upon my Cabinet officers to make sure that President Ford's initial proposals are not only carried out but expanded.

I will try to keep my other answers shorter.

MINORITY APPOINTMENTS

Q. Mr. President, my name is D. J. Spencer. I am with the Maritime Administration. I am also the chairperson for the Commerce Committee for Women, Ad-Hoc Committee for Minority Women.

I am very pleased with the status of women in key positions in the Department. I would like to personally thank you also for the appointment of Dr. Kreps. However, as of today, I am unaware of the appointment of any minority women or men, and I would like to know if that is under consideration.

THE PRESIDENT. I can't answer that question. I think in this Department, there are now about, I think there are exactly 5 men and 5 women in the 10 senior positions, which is the best achievement I have in any department.

Secondly, I think in the entire Department itself, about 20 percent or more of the employees are representing minority groups, which is substantially higher than the total population percentage; and I think among the total Department employees, about 35 percent are women, which, as you know, is not an adequate amount to represent the 51.3 percent of women in our society.

I can't answer your question about the other.

The answer is yes.

Let me add one other point because this is important: We have really tried to correct a longstanding discrimination against

minority groups and women in the Government. And it is not an easy thing to do, even if your heart is in the right place.

As I said in my press conference yesterday, that I am sure none of you saw because you were on the job, in the previous administration at the executive level in the major departments, we only had nine women. Although we are not nearly through with the selection process, we already have 29 women in those top positions, and we have got more than twice as many black senior executives in the entire Government structure now, at the top levels I am talking about, not in subordinate jobs. And I think we have three times as many Spanish-speaking Americans as we have had before. And we still have a long way to go. But I hope that you will be constantly aggressive, which I am sure you will be, in pointing out any defects that we still have remaining.

Yes, over on the right aisle.

GOVERNMENT REORGANIZATION

Q. My name is Sonia Maged, and I am a systems accountant in the Office of the Secretary. I would like to know what your plans are for the Department of Commerce in the reorganization of the Federal Government.

THE PRESIDENT. Juanita says she does, too.

I don't know yet, I really don't know. We will make two or three different kinds of reorganization attempts, I think, all of which will be successful. One is a generic kind of approach to things like electronic data processing, how to make sure we have the most effective use of existing computer systems that cover all departments.

Secondly, better personnel management, better training programs, and so forth, more equitable hiring practices, the elimination of inadvertent or deliberate discrimination, how to use personnel more effectively, proper balance between those

that are assigned to Washington and those that are out in the field, a better interrelationship among people who work at the regional or community level among different departments so that we don't have the separation anymore between the EDA program in Commerce and the training and job placement program in Labor, or the provision of day care center services from HEW and so forth. We want to be sure there is a much greater relationship among departments than there has been in the past.

The second major thing is on matters that relate to your own Department itself. And there your input and your superiors' input will be kind of a generic thing that starts at the bottom and builds up, with recommendations being made about, perhaps, some restructuring of existing sub-department functions in your own agency here.

And the last point, of course, will be the transfer of major entities from one department to another. Offhand, I would think that the Commerce Department would be affected very slightly by that last component part. Other agencies might be strongly affected.

Under the Government reorganization authority, we could not abolish or create a major department. I do intend to create a new department of energy and mineral resources and a lot of those functions will come from agencies like ERDA, FEA, and so forth. Others will come out of the present Department of Interior. I have got Dr. James Schlesinger and Secretary Cecil Andrus from Interior working very closely with each other now and with the congressional committees to decide how those divisions should be made.

This last provision, by the way, since it creates a new department, has to be done with special legislation. Under the reorganization authority, any change that I

propose would go to the Congress, and if either house of the Congress disapproved it, within 60 days, my proposal would be cancelled. So, there is an adequate protection built in so that we don't make a mistake. And to the extent that you will cooperate and give suggestions, I think there is a very good chance that your suggestions would be adopted.

Anyone over on this aisle?

COMPUTERIZATION IN GOVERNMENT

Q. Robert Stephens, computer engineer, Bureau of the Census. Mr. President, since the computer is no strange monster to you, I have a two-part question. One, can we expect a major change in the acquisition, utilization, and technical services of data-processing equipment in the new administration? Two, are you planning to appoint a competent group of computer specialists to serve as advisers in all aspects of data processing?

THE PRESIDENT. I can't answer that question yet. I can tell you that when I was Governor of Georgia, we did exactly what you have just asked me about. I am not familiar enough yet with the method of acquisition, of computer systems, the compatibility of the different computer systems that the Government does have, the effectiveness of a backup-type computer use so that if one breaks down there might be an automatic supplementation of it.

We need some uniformity of the handling of computer programming data. We also need some uniformity so that we can train people that might shift from one department to another, and some of the small entities in the Government might not need a computer themselves, but they might need to share a major computer center. Also, we need adequate security.

I am not quite sure yet that the Federal Government computer centers are secure,

for instance, from sabotage or perhaps from destruction by fire or some other force. As you know, our Nation could be badly damaged if somebody with a small but very powerful magnet should go through your statistical analysis centers or through the HEW records center and just wipe out vast numbers of data that exist on those computer tapes and disks.

So, I would say that we will analyze the need for the changes. I think OMB would probably be the proper central entity to supervise that analysis, and I would not be hesitant at all to make changes if they are determined to be needed. But at the present time, I don't know what the need is. We will know within a year.

I would like to have your ideas on things that we need to do to improve services.

FEDERAL JOB DISCRIMINATION

Q. Mr. President, I am Magda Tenser. I am a statistician for the Maritime Administration. I am also the president of the Commerce Committee for Women. First of all, thank you so much for Juanita Kreps. In her first 3 weeks as Secretary of Commerce, she has done more for our morale—I am speaking for women mostly—than all former Secretaries put together. We are looking forward to a great future through the new spirit that permeates from her office and her leadership.

Now my question: Would the White House support removal of the equal opportunity monitoring of Federal Government employment practices from Civil Service Commission, title VII? In other words, CSC always backs the departments on all or almost all discrimination cases.

THE PRESIDENT. Mrs. Kreps has also done a lot for morale of people in the Government who are not women, including mine.

We now have seven major Federal agencies responsible for elimination of sex

and race discrimination. The one in the Civil Service is only one out of seven. The average length of time required from the filing of a complaint that might be perfectly justified and the ultimate resolution of that case is about 3 years. In EEOC alone there are about 30,000 backlog cases. During the campaign I had a good analysis of this problem made, and my hope is to bring all those functions into one agency that does not have a built-in bias.

I think we have a long way to go in the rooting out of discriminatory practices. And quite often, men like myself who are leaders don't even have an ability to detect discrimination that ought to be obvious, and it is, once it is pointed out.

So, I don't know exactly where the responsibility for elimination of sex discrimination might be placed. But I know we don't need seven different agencies. And we need to have a clear technique both legally and administratively to resolve those cases very quickly.

But it is too early for me to say what will happen to their particular agency or function that you described that is now in Civil Service.

Q. We are not talking only about sex discrimination. We are talking about everything.

THE PRESIDENT. Of course. I understand that.

TRADE BOYCOTTS

Q. Mr. President, my name is Howard Griffin, from the Department of Commerce, Office of Export Administration. Some of my workers would like to know what are you planning to do with the Arab boycott? In one of your speeches you said that you were planning to end it. They were wondering, how far have you progressed on this?

THE PRESIDENT. I think it is good for all of us to understand that there are dif-

ferent meanings to the word "boycott." A primary boycott is perfectly acceptable in international affairs.

We have, for instance, a primary boycott against Cuba. It is all right for a nation to say we are not going to trade with you. It is perfectly all right for the Arab countries to say we are not going to trade with Israel. What does create a problem that I hope to eliminate is for the Arab countries to say to us, "You cannot trade with Israel and also trade with us" or "You cannot trade with us, the Arab countries, if you have Jews on your board of directors." This, in my opinion, violates the constitutional rights of Jewish citizens. It also is completely obnoxious to me in a society like our own, built on an absence of legal attention, of recognition of a person's religious or racial or sexual characteristics.

So, that is what is called a secondary and even tertiary boycott. We now have several bills that have been introduced in the House and Senate. We have a cohesive group of business and labor leaders, many of whom happen to be Jewish, who are working on the principles that ought to be included in an antiboycott law.

And I will support those. I think it is time for us to root out the concept of the secondary and tertiary boycott, never permit a foreign nation to discriminate against any of our citizens who happen to be Jewish, with legal permission from our own Government. And we also need to have as a last thing uniformity among the different States of the Nation in dealing with the antiboycott legislation. We now have a strong antiboycott law in New York. We have a weak antiboycott law in New Jersey. So, when the Arab countries want to come and trade, they just bypass New York, come into New Jersey, and they can discriminate against Jewish citizens accordingly.

So, uniformity and elimination of attention, of recognition given to a citizen because they happen to be Jewish, and a prohibition against the deprivation of human rights, and a secondary and tertiary boycott are all things that I hope to root out.

The right of the Arab countries to boycott Israel is something with which we have no authority and in which I do not want to become involved.

MINORITY EMPLOYMENT

Q. I have a comment on something that was previously said.

THE PRESIDENT. Please.

Q. We in the Office of Export Administration, we commend your choice of Secretary of Commerce, but we also would like to see other blacks and minorities given key positions within Commerce, people who can relate to problems that your GS-5's and on to 2's can identify with. I guess that is about it.

THE PRESIDENT. That is enough. It is a very good point. And I don't want to have an opinion among you that I am satisfied even with the Commerce Department just because we got 50 percent men and 50 percent women in the leadership roles. We still have a long way to go.

In my travel around the country at all levels of government, and in private life as well, this is a constant question. I tried to address it adequately. We still have a long way before we can be satisfied. But I don't want you to be satisfied either.

And it is very hard to change from practically no minority groups in government to an adequate number or very few women in government to an adequate number overnight. But in an evolutionary way and with great attention to that problem, I will do the best I can to alleviate those legitimate concerns.

HOME IMPROVEMENTS; MINORITY ENTERPRISE

Q. Mr. President, *muchas gracias*.

THE PRESIDENT. *Gracias*, too.

Q. Mr. President, we all know that energy is one of your administration's priorities and that you are moving aggressively in this area. I recently heard about a concept which is being discussed within the high ranks of your energy teams which expect to have energy producers and consumers jointly sharing conservation efforts by having producers of energy invest money in insulating homes, which, in turn, will save energy rather than making investments in further exploration of energy.

This appears to be a very innovative concept. And I wonder if minority business development is also a priority in your administration, and would not a similar concept be equally applicable? I refer to something like having the Government use incentives to private industry in the forms of tax credits and other allowances and incentives to induce private industry to make more profitable investments in developing minority enterprise, rather than expanding their own corporations to a point where antitrust actions and other antimonopolistic practices would not be necessary. What is your feeling of this, Mr. President. [Laughter]

THE PRESIDENT. Would you repeat the question, please? [Laughter]

Q. Should I repeat it in Spanish?

THE PRESIDENT. No. [Laughter]

I will give just one brief statistic. It costs \$1.50 a barrel to save energy, to save oil. It costs \$15 a barrel to buy oil to waste. We are now wasting more energy than we import. And that is waste that we can eliminate. It is not engineering waste that theoretically can't be avoided. The last 2 months, we have imported over half the oil we have con-

sumed, a little more than 10 million barrels a day.

Another point is, when we carry out the procedure that was mentioned in the beginning of the question, to insulate homes for instance, that is a highly labor-intensive effort. It takes a lot of laborers, minority enterprise, small enterprise to blow insulation materials into attics of homes. For a given \$1 million spent to save energy, you get a lot of jobs. To build a power dam or to drill another oil well or put in a new electric generation station, if you spend \$1 million, you don't get very many jobs. So you have got a 10-to-1 advantage in conservation compared to new use of energy, and you've got much more than 10-to-1 advantage in the number of jobs derived.

Now, as far as minority business enterprises are concerned, the attitude of the Small Business Administration, and particularly the minority enterprises aspect of it, it is very important to me.

When I went home from the Navy in 1953, I didn't have a job. I didn't have a home. I lived in the Government housing project. I paid \$31 a month. I didn't make enough money the first year to pay my rent. Later, I went to the Small Business Administration, and they not only gave me a loan but they gave me constant annual advice and help. They would send a distinguished retired business person down to Plains to spend 2 or 3 days, at no cost to me, to go through my warehouse business, which was just getting started, and to give me advice on how to handle my accounts receivable, how to keep my record, how to borrow money, how to market my products better.

This is the kind of attitude I hope to engender within the Small Business Administration and also within the Commerce Department and also the other agencies. It is not enough for us to just hand out a grant or even give somebody

a job. We need to make sure that we have a personal interrelationship with the people being helped that continues, because in many instances, particularly with foreign language speaking families or black families, we have loaned them just enough money to go bankrupt.

And it gives the Government a bad name, and we deserve it when that happens. And it discourages quite often the best people in the community that are struggling to be a success. And when others see their best people fail, it is especially discouraging to those that haven't quite got the energy or the ambition or the confidence to start a new business.

So, this is the kind of thing that must be addressed. There are not any magic answers to it, but I want to make sure that in my appointments to these positions, that the question that you raise, not only in energy but in minority business and otherwise, that we put this on a personal basis, dealing with people as individuals, not as statistics, and making sure that there is a permanent relationship between that individual and Government that is mutually satisfactory.

SAFETY; GOVERNMENT REORGANIZATION

Q. Mr. President, my name is Dave Snyder. I work for the National Fire Prevention Control Administration.

THE PRESIDENT. Where are you, Dave?

Q. I am over on your right.

THE PRESIDENT. Okay. I didn't see the microphone. Thank you.

Q. As a volunteer firefighter and as someone who has the great good fortune to be a public servant with the National Fire Prevention and Control Administration and with the United States Department of Commerce, I would like to know what priority you will attach to the goal of safety when that conflicts with goals of antipollution and with goals of

commercial betterment for the United States. And a reorganization question: Do you plan to reorganize those agencies in the United States Government or unite them, those agencies which are concerned with the safety of America's consumers, America's workers, and America's highways?

THE PRESIDENT. Obviously, the personal aspect of Government responsibilities like safety would come above statistical achievement, and if there is a conflict, the top priority would be human beings.

Secondly, the reorganization efforts will not result in the discharge of any Federal employees. We reorganized the entire structure of Georgia's government. I never fired a person. It is not fair to professional employees to have your jobs threatened because of a change in the structure of the government in which you have served.

Now we have an adequate attrition rate. There may be an instance when somebody would have their place of work transferred. If so, it would be done without any loss in your pay or seniority status. If new skills were required, the extra training would be provided for you at Government expense.

So, no one in the Federal Government need ever fear that your jobs will be threatened, nor your usefulness will be decreased because of reorganization.

What will happen, though, is when we have 7 or 8 or 10 or 12 or 15 or 20 or 30 or sometimes 50 different agencies in Government responsible for exactly the same function, those might be pulled together to make an identifiable entity in the Federal Government which average American citizens can approach and which can provide their services without waste or conflict.

I was talking at the last Cabinet meeting yesterday morning, and Joe Califano

said that within his own Department there are 13 different agencies created by Congress responsible for the reduction of the use of drugs—13. He is chairman of seven of them. In addition to HEW, I think there are seven other departments that have drug treatment responsibilities, plus the White House.

That means that none of those functions can be carried out effectively. And if those are brought together in HEW, I think all the people that would like to cut down on the drug addiction problem would be more affected. The people would obviously be served better. And I believe that it won't disrupt the lives of employees in Government.

So, persons would come first, human being would come first, and the change in the structure of government would not adversely affect your own professional careers under any circumstances. If it ever does, you contact me directly. I mean that. All my Cabinet officers have instructions to that effect.

And the third thing is if change is made, I would not try to change something and face the Congress and try to justify it unless I was convinced in my own mind that it would give us a chance to provide better services and not disrupt services.

I think that I have answered as many questions as you want to propose to me. I would like to say this in closing: It has been a great pleasure and an honor for me to come over here. Your work is extremely interesting to me. I have studied something about your Department when I was trying to decide whom to select as your top leaders.

I hope that you will have a chance to relate directly to them. Many of you have been here many years and Mrs. Krepes and others need your help and your advice.

If you detect in her or others special strength and special weaknesses, I hope

that you will not be critical of me or her or of others. If she has a weakness—and I don't know that she does—I hope that she will try to supplement that weakness, or even among your own peer groups within the Department, the same thing.

We need to constantly strive to have a better working relationship, to supplement one another's abilities and not to have divisions that might tear us apart one from another.

We have a chance, I think, because of the hopeful attitude that exists among the American people, not brought about by me, but brought about in the aftermath of tragedy, to move forward now with a new kind of opportunity. I will do the best I can. I am going to make some mistakes. I hope you will forgive me. You are going to make some mistakes, and we will be in it together.

But you have been very nice to let me come over. I hope to come back again. If I can ever help any of you, let Juanita know or either let me know directly, and I will do the best I can to be a good President.

Thank you very much.

NOTE: The President spoke at 2:30 p.m. in the auditorium at the Department of Commerce.

American Textile Manufacturers Institute

*Remarks to Members of the Institute.
February 9, 1977*

I've just come back from a tour of the Labor Department and the Commerce Department.

Since the Labor Department was founded over 70 years ago, they've never seen a President over there. And I think it's very good for me to have a close and personal relationship with the very fine public em-

ployees that work here in Washington and around the country.

Over half the employees of the Labor Department work out in the different communities around the Nation—about 8,000—and about 6,000 work here in Washington. But the attitudes of people in Government service are mirrored almost instantly in the attitudes of people throughout the country toward Government.

I have got an awful lot to learn. As you know, I've only been here on the job less than 3 weeks. I've got an excellent Cabinet, and I believe that we've already engendered among the members of the Cabinet a new inclination to cooperate with one another.

As Governor, I had a hard time deriving any sort of a comprehensive answer to questions that I faced among Commerce, with the EDA programs, with Labor, with HUD, with HEW. They all gave me a different answer. And I think the reason was that they were trying to repair, in Atlanta and in Dallas and in Minneapolis, the damage that had been done in Washington because the Cabinet Secretaries didn't work closely together.

You are business leaders. You manage your own companies with efficiency and effectiveness. I think you require, through your own leadership and strength, cooperation at the top levels of your own companies, and I hope to do the same thing in Government.

Perhaps for the first time, we now have a very effective and substantive Cabinet meeting every week, where I bring together all the members of the Cabinet. And we have 2, or sometimes 3 hours, no-holds-barred discussion among those leaders about matters that affect our Nation for that particular coming week.

I think it's very helpful to have the Agriculture Department and the Commerce Department and the Labor Department,

for instance, sit down with the Secretary of State and the Secretary of Defense and the energy director and me, to exchange both information and criticisms and ideas.

I think you know from your own knowledge of my Cabinet selections that I've got competent people. Quite a few of them have backgrounds similar to your own.

Mike Blumenthal, the Secretary of the Treasury, is a man who, I think, demonstrates in a personal way the kind of opportunity that our country provides. He is Jewish. His father was in a concentration camp in Germany. They finally scraped up enough money, he and his mother, to let his father out of prison. They went to Hong Kong and spent a number of years almost living in custody. And he came here as a young man and worked himself up to the president of one of the finest and most well-organized business entities in the world, Bendix Corporation. And at a tremendous financial sacrifice to himself, he came to work in Government. His salary is probably one-tenth what it was at Bendix, and he faces tremendous challenges in his Department.

One of his responsibilities will be to deal with your industry, which is so crucial to our country. You are the largest employer in our Nation outside of agriculture itself, which is so generic in its makeup. I think you have about 2½ million employees.

As I campaigned for President for 2 years or more, I tried to visit as many of the textile mills and the shoe manufacturing plants and so forth as I could, where you have such high labor intensity. And I know the tremendous competition that has come to you from unwarranted imports. Obviously, we've got to have some imports so that we can let people have a way to pay for our exports. But I want to be sure that not only do we have the different departments tied together with one another, and not only do I want to have

the Cabinet members tied directly to me as President, and not only do I want to have cooperation between the Congress and me, I also want to have cooperation between the business community and myself.

I was fortunate enough to be elected President without having to make any promises in private. I never made a single promise to anyone that wasn't made public. I never promised a single person a job. So, I am free to make decisions as President, based on the merits of the decision as I make an ultimate judgment.

But there are many aspects of business and government and private life with which I'm not familiar. And to the extent that you feel at ease in coming directly to me or to Mike Blumenthal, to any of my White House staff, it makes my job much more assured of being a successful effort. I want to do a good job as President. I don't know all the answers. You have many answers that would help me, and I hope there will be a partnership formed between us.

I do have one thing that need not cause you any concern. Because of the quality of my Cabinet officers and their own independence, I think you might find a reduced need to come directly to the White House for an answer to a question or to relieve a problem that you might face.

So, my suggestion to you is that in matters relating to international trade, to restraints, that you go directly to Mike Blumenthal, directly to the Secretary of State, and then if you can't get your problem addressed, then come to me or the White House. I don't believe in having my own White House staff subordinates try to run the departments of Government. They are not as well qualified to be Secretary of Treasury as is Mike Blumenthal.

So, there will not be another Ehrlichman or Haldeman in the White House whom you have to approach to get an

answer to a question that relates to the Treasury Department or to the Commerce Department or the Labor Department or to the State Department. You can go directly to those Cabinet members. They speak for me. They speak with authority. They speak with sound judgment. And they need your help just like I do.

Another point that I want to make is this: The Congress in the past has been very wise, I think, in addressing some of the needs of the labor community, the working people of our Nation. That's where I came from; I'm one of them, also. I think, for instance, in the passage of, say, the OSHA legislation, the concept and the purpose is good. It's sound. But I want to make sure that the administration of that program is no longer so aggravating that it alienates the employers and the employees, both of whom can be well served with a well-administered program.

I had a long meeting this morning about the writing of unnecessary regulations. If I accomplish one thing in my administration, it's going to be to cut down the volume, the complexity of regulations, guidelines, directives, and required reports that afflict the business community of this country. I mean it. And I don't intend to fail in that effort. I think you can count on it.

It's unbelievable—you believe it—[laughter]—what comes out of the Federal Government every year. Just in the final regulations alone, after they are edited down, it takes a 15-foot bookshelf with very fine, legal-type printing to house all the final regulations. And I've told all my Cabinet officers that I want the people that prepare those regulations and do the final editing to put their name on them, and I want the Secretaries of HEW and Labor and so forth to read every regulation in the future before they are issued.

I told them it might take all their weekend, that's all right. But I believe after three or four weekends, when they've spent all the time reading unnecessary regulations, they will start trying to go down to the department and say, "Now, is this really necessary? Can it not be written clearer or briefer?" And you can help with that.

I'm also going to do the best I can so that when you fill out reports that the same data need not be given separately to the Commerce Department, the Labor Department, HEW, and so forth.

I think one comprehensive report, if prepared for you to fill out with multiple departments, might be divided once it gets to Washington so that you might minimize greatly the amount of time that you spend filling out sometimes necessary data on which I have to base ultimate decisions and on which the Congress has to base its decisions. Some of those reports are necessary to assure compliance with the law and for us to derive data bases on which to make decisions. But the unnecessary reports—we're going to cut them down.

We will announce the director of the OSHA program in about a week. And at that time, we are scheduling regional hearings, or I might say forums—they are not official hearings—where you might come and register your complaints and your suggestions for better administration of the program. We will bring in the OSHA representatives in your area. We will bring in representatives of labor. And I hope that you will start preparing yourselves to present your own ideas—I hope in a constructive but critical way—of when those open forums are conducted.

We want to make the program work. And I want you to have an input into the changes that are necessary.

A couple of other points and then I'll have to leave.

By April 20, Dr. James Schlesinger and I and almost every member of the Cabinet will be working to evolve a comprehensive, long-range energy policy for our country. This is crucial. We are the only developed nation in the world that doesn't have such a policy established. And the Government and industry and others are floundering now, because there is no predictable way to meet emergencies when they arise, extended cold weather periods when they arise, drought when it arises. And we have seen our energy shortage compounded by inappropriate administration of the Government itself.

The last 2 months, we imported over half the oil that we used in this country, more than 10 million barrels a day. We presently waste more energy than we import. I'm not talking about engineering waste that's theoretically impossible to stop. I'm talking about waste that can be corrected.

And this needs to be changed. I couldn't have chosen a better person than Dr. James Schlesinger to head it up. He's a man of superb intellect and strong will and a good background. He's been the Director of the Budget Bureau. He's been the Secretary of Defense. He's been the Director of the CIA. He's been the head of the Atomic Energy Commission. And he could very well have served as Secretary of Defense or Secretary of State or any other position in Government. But I thought that the energy administrator was the most important single appointment that I had to make.

And his decision, mine, the Congress and yours, will have a profound effect on the future of the textile industry and the life of our country. You ought to be thinking in your own area how you can minimize waste and make more efficient use of the energy available to you.

Just as a result of our emergency natural gas legislation, for instance, we've just allotted 2½ million cubic feet of natural gas to Dalton, Georgia. We've had several thousand textile employees out of work for a number of weeks now because we couldn't get enough natural gas in there to carry out the normal processes. And I hope that this won't happen in the future.

It's too late to have that many people out of work and then have to pass legislation in 8 days—which is almost unprecedented—and then start allotting natural gas where it belongs. But because of the complexity of the regulatory agencies' rules and the complexities of the laws on the regulation of natural gas, the artificial division between intrastate and interstate natural gas, it was almost impossible to meet the needs where they existed, even though the natural gas was available in other parts of the country.

So, I want to be sure that you have an input into this process as well.

The last point that I might mention to you very quickly is this: On the Multifiber Trade Agreement, 3 or 4 months ago, I was approached by a group representing you that asked my endorsement for an extension of the existing agreement.

My reply was that if that was the will of the textile industry, that you had my promise of support. It's a very complex subject, and I hope that you will work very closely with the Special Trade Representative when that person is selected—and we are approaching that point now—and with Mike Blumenthal to let your views be known.

If there are amendments to the present Multifiber Trade Agreement, I need to know what your positions are on those amendments. Once you open up the agreement to amendments and debates, it creates additional complexity.

But I'm not trying to force my will on yours. What I would like to do is to understand what your position is and then make a judgment accordingly. But you have my promise, which I will maintain, that if it is your decision just to extend the present agreement, I will certainly back that agreement. If you propose changes, then, of course, I'll have to assess the changes one by one. But you know more about your industry than I do. And within the bounds of realization that you have to have both imports and exports to carry on trade that is beneficial to us all, I'll do the best I can to protect your industry.

I want to say this: I wish I had time to stay here for you, a half hour or an hour. I don't have the time to do it. But I did want to come by and speak to you briefly, because your industry is so important to Georgia and to South Carolina and North Carolina and Tennessee, particularly—where I've lived and grown up, but it's important to the whole country as well.

And I hope that you will feel free to let me have your ideas and your suggestions, your advice, and also your criticisms. I'm going to make mistakes. I am going to have to make decisions on taxation and on energy and on welfare programs with which you might not be in complete agreement. I recognize that. But I'll try to make my decisions only after I have assessed your position.

I've got a lot to learn. I don't claim to know all the answers. And we, you and I, are kind of partners in making sure that our Government does perform properly and that there is a constant, mutually supportive relationship that exists between the business community on one hand and the Government of our Nation on the other.

I'll try to do the best I can to be a good President, and I thank you for having me

come over and to give me this chance to express a few thoughts to you.

Thank you very much.

NOTE: The President spoke at 3:20 p.m. in the Family Theater at the White House. The meeting was the first in a series of conferences planned for various areas of industry.

Conflict of Interest and Financial Guidelines

Announcement of Two Exceptions Published by the Carter-Mondale Transition Group, With the President's Letters to the Two Nominees. February 9, 1977

An exception was granted to Navy Secretary-designate W. Graham Claytor, Jr., under President Carter's conflict of interest and financial guidelines, the President announced today.

The exception was necessitated by Mr. Claytor's retention of a concentration of one particular stock (Southern Railway) placed in a blind trust. In addition, the portfolio held by Mrs. Claytor contains concentrations in three stocks. Mrs. Claytor has agreed to place her portfolio in a trust with blind features, in that the trustee will be truly independent of the Claytors. Mr. Claytor has agreed to disqualify himself on all matters relating to Southern Railway and to the three firms concentrated in Mrs. Claytor's portfolio.

To date, two exceptions to the conflict of interest and financial guidelines have been granted to administration appointees. The first was to Deputy Secretary of Defense Charles W. Duncan, Jr., who was permitted by the President to retain his Coca-Cola stock.

Under the President's guidelines, which were released by the Carter-Mondale Transition Group January 4, the President intends that any exceptions to the guidelines be made only with his express

consent with respect to Level I and II appointments, and by heads of departments or agencies with reference to other appointments. The President has promised to make public the reasons for any exceptions.

In both the case of Mr. Duncan and Mr. Claytor, the exception was allowed because sale of the stock in question would cause serious and unreasonable financial loss because of the taxes imposed on such a sale of the stock. In addition, Mr. Duncan's and Mr. Claytor's disqualification on matters affecting the firms in question would rarely inhibit their actions.

February 7, 1977

Dear Mr. Claytor:

Pursuant to the guidelines on Conflicts of Interest, you and Mrs. Claytor will each establish trusts with blind features in that the trustee will be truly independent of you and Mrs. Claytor; the trustee will have full investment discretion without consultation, and you will both be insulated from any knowledge of assets in the trust.

The portfolios being transferred to the trusts are well diversified except that there are concentrations in three stocks held by Mrs. Claytor in the portfolio. I understand you will disqualify yourself from acting on any particular matter affecting the interest of any of those three companies. The portfolio you transfer to a trust is well diversified except that approximately 50 percent of that portfolio is invested in common or preferred stock of Southern Railway. This constitutes a deviation from provisions in the guidelines in that the portfolio is not diversified to the extent normally required. I understand that you have agreed to disqualify yourself on all matters relating to the Southern Railway.

Please be advised that I approve of the foregoing exception. In accordance with the guidelines, this approval will be made public.

Sincerely,

JIMMY CARTER

[Mr. W. Graham Claytor, Jr., Secretary of the Navy-Designate, Washington, D.C.]

February 7, 1977

To Charles W. Duncan, Jr.

I am advised as follows:

You will retain ownership yourself of your real estate interests including residences, partnership interests in ranches and other assets except as described below.

You or your trustee will sell, make charitable gifts, or give to a charitable remainder unitrust all stocks owned by you and your wife on the Department of Defense statistical list used by the Senate Armed Services Committee other than that of The Coca-Cola Company.

You will transfer your other publicly held securities and your Coca-Cola stock to a trustee or trustees who will be appropriately instructed to insulate investments from you and your family; and who will be fully authorized and directed to buy and sell assets of the trust in their discretion without your knowledge except that you may limit their discretion to sell some or all of the stock of The Coca-Cola Company.

You will formally disqualify yourself as Deputy Secretary of Defense from acting on any particular matter as defined in 18 U.S.C. 208(a) affecting the financial interests of The Coca-Cola Company.

The assets transferred to your trustees will be diversified with the exception that the stock of The Coca-Cola Company amounts to a substantial portion of the portfolio of one of the trusts.

Because of the facts stated in paragraph five, your proposed course of action deviates from the Guidelines on Conflicts of Interests published by the Carter-Mondale Transition Group with my approval.

Please be advised that I approve of that deviation. My reasons for such approval which will be made public in accordance with the Guidelines, are:

Your disqualification on matters affecting the financial interests of The Coca-Cola Company as Deputy Secretary of Defense will not more than rarely, if ever, require you to refrain from acting on a matter.

A sale of your Coca-Cola stock, amounting to less than three-tenths of one percent of outstanding shares of The Coca-Cola Company, would significantly deplete your family's assets by reason of the taxes imposed on such sale.

Sincerely,

JIMMY CARTER

[Hon. Charles W. Duncan, Jr., Deputy Secretary of Defense-Designate, Washington, D.C.]

Alliance To Save Energy

Statement on the Formation of the Organization. February 10, 1977

Saving energy must be a major national priority. It is one of America's greatest challenges.

I want to welcome the timely creation of the private, non-profit Alliance To Save Energy, which is being announced today. This organization is dedicated to the concept that there is a new, inexpensive, and accessible resource: conservation energy. Conservation energy is the energy derived by replacing wasteful habits and technologies with more efficient ones. Every American can join in the effort to make

conservation energy one of our chief resources. I urge them to do so.

I have asked Vice President Mondale to serve as Honorary Cochairman of the Alliance To Save Energy. I am especially pleased and grateful that former President Ford will serve in this capacity also.

As I said in my address to the Nation last week, we must face the fact that the energy shortage is permanent, and there is no way we can solve it quickly or easily.

Conservation will be the centerpiece of our national energy policy. The amount of energy we waste is greater than the amount of energy we import from foreign nations. All of us must learn not to waste energy. I'm confident that the Alliance To Save Energy will play a significant role in implementing our national energy policy. It is just this kind of effort which is now required to mobilize the American people behind the critical need to use precious energy resources more wisely.

Department of the Treasury

Remarks and a Question-and-Answer Session With Department Employees. February 10, 1977

SECRETARY BLUMENTHAL. *Mr. President, ladies and gentlemen:*

Mr. President, I guess I don't need to begin by saying we're glad to see you. [Laughter]

We're meeting you in the largest room in this building, the Cash Room. And you can see that we have gone one better on what history tells us happened at the time of the Inauguration of President Grant, when the whole Inaugural Ball—the entire one—took place in this room. That compares to the six ballrooms that your Inaugural Ball took place in.

We're delighted to see you. We're your closest neighbor.

I was extended a cordial welcome when I came, by the many people in the Treasury who are eager to work with you and with us to do a good job.

We're just across West Executive Avenue, and you've shown us that it's only a few feet. We're very happy to have you here.

THE PRESIDENT. Thank you. I'm glad to be here. Thank you very much.

Well, I'm very glad to be here, Mike. You are my closest neighbor, as you know. A lot of my people in Georgia always felt that if I came to this building, it would probably be because of income tax evasion or something like that. [Laughter]

I would imagine that standing on this stage are more Georgians than there were at U. S. Grant's Inauguration in this room, right after the Civil War. We had about 60,000 people who came to the Inauguration Balls this time, and many of them were my close and personal friends whom we had met and gotten to know during the long, tedious, laborious but enjoyable and openly successful campaign.

I don't think many Presidents have taken the time to come and meet with the key employees and leaders of our Government. And I consider it a great honor to be able to come and meet with you for a few minutes.

One of the major successes that I have already realized is a choice of a superb Cabinet. I had an opportunity, as you know, to select a Secretary of Treasury from literally thousands of people who were well qualified. And there is no doubt in my mind that I chose the best person in the United States to be your leader. I have complete confidence in him, and I am deeply grateful that Mike Blumenthal was willing to come and work with you and with me to make the Treasury Department successful. And I'm sure he'll succeed, along with us.

ADMINISTRATION POLICIES

There is literally no department in Government which touches more people in a more sensitive way than does yours. I think you know that a lot of the attitudes that people form about public administration and leadership and about the attitude of their own Government toward them is derived from the Treasury Department.

This is so important to me, because in the last few years our country has been deeply embarrassed. There has been an impression that swept the Nation that our Government was neither competent nor honest nor had sound judgment, and that's because of the mistakes of a very few people who were in leadership positions. The consummation of the Vietnam war, the revelations that the CIA and sometimes the FBI violated the law, and the Watergate revelations really shook the people of this Nation and helped to destroy their good relationships and opinion of the Federal Government.

But at the same time, there remained within the hearts and minds of Americans an unshakable patriotism and an unshakable hope and belief that all those serious mistakes could be repaired, that difficult questions could be answered, and that we would approach the future with a renewed commitment to common principles that have bound our lives together.

I have been lucky enough to be elected leader of this great country. I'm no better than any of you. I'm sure there are many people in this room who are better qualified than I am in many ways. I've got a lot to learn. I've only been on the job now about 3 weeks. Some of you have been here for years.

I was introduced yesterday at the Commerce Department by Dr. John Taylor, who had been on the job since 1929—48 years. But I share with you an equal responsibility to represent the people of our country well. And whether I succeed or

fail depends on you and whether or not we can form a partnership that's tangible and continuing and mutually respectful.

I think the country is ready for some substantial changes. I want to be sure that every one of those changes is an improvement. There is no way that I can sit in relative isolation in the White House and decide what's best for our people in the Treasury Department. You've been here. You've seen the mistakes. You've seen the achievements.

The things that are good and proper and efficient and effective ought to be preserved and enhanced. The things that may have been equally adopted for 15 or 20 years, which can be improved, we want to improve them. And if there are things that ought not to be here at all, we want to eliminate them.

We hope to get authority very shortly to reorganize the structure of Government in broad generic terms—transportation, electronic data processing, printing, personnel management, on the one hand—internal reorganization within departments like your own and, in addition, the shifting of major responsibilities among departments.

I want to be very, very thorough and very, very careful. I don't want to make any mistakes. And the best way to insure that that hope is realized is to use your advice and your counsel and your suggestions and your criticisms.

You need not have any fear of the prospective changes that might be brought forward. No one will be discharged in the entire Federal Government as a result of reorganization. No one in the Federal Government will lose seniority or pay status. We might very well find it necessary on occasion—it would be rare, I think, relating to the Treasury Department—to transfer people from one job to another. If that should occur, any training required would be fitted in with your

own capabilities and, obviously, would be paid for by the Government.

We are now embarked on some very substantial analyses to make Government better. We've already introduced a brief economic stimulus package, equally balanced between 1977 and 1978.

We are following that up with a very comprehensive energy policy. Our Nation is the only one that's developed on Earth that doesn't have some comprehensive energy policy. By the 20th of April, we will have completed that study and we will submit to the Congress then, legislation to implement our recommendations. Formed today, with former President Ford and Vice President Mondale as chairmen, will be an organization designed to save energy. And serving in that group will be members of my Cabinet, key Members of Congress, and representatives from different groups around the Government. In addition, we hope to set up State functions in all 50 States to hold down the waste of energy.

By the 1st of May, we will have a comprehensive study completed on welfare reform. And later on this year, under the leadership of Mike Blumenthal, we will have a comprehensive analysis completed on income tax reform.

We don't want to do things in a haphazard way, but the country is ready for some reanalysis so that we can say what needs to be kept and what needs to be changed for the better. Obviously, anything we do will be carefully scrutinized by the public and by Congress. That's the way it ought to be.

But I'd like to conclude my statements by saying this: I hope that you will participate in an active way, that you will help overcome the weaknesses or shortcomings that might be apparent to you in my leadership or in the leadership of Mike Blumenthal and others. It's a time for a

maximum degree of cooperation and harmony.

And as you deal with your clients, the people of your country, whether it might be in revenue sharing, or whether it might be in enforcement of the laws that relate to drugs, or whether it might be in Secret Service protection, or whether it might be in Treasury, or whether it might be in overall international trade agreements—no matter what it is, I hope that you will always remember, as I will try to do, that we are not bosses of anyone; we're the servants of the American people.

And I hope that I can exemplify this attitude in such a way that it might inspire you to do the same thing. I've tried to eliminate some of the artificial trap-pings and respect that's openly paid to me. I feel that the Office of Presidency is substantial enough and has an adequate amount of respect already.

But I want all of us to take the demeanor of a government as it should be in a democratic society. We're servants, not bosses. And to the extent we can recognize whom we serve—the people of our country—in a fair way and an enlightened way, I think we will be all-successful.

I have a few minutes now. If you have any questions, I'll try to answer them. If I can't answer them, I'll let Mike Blumenthal answer them.

QUESTIONS

DEPARTMENT VISITS

Q. Mr. President, I work at Customs. I would like to know when you are coming to Customs, because we don't have a chance to see you.

THE PRESIDENT. Let me say this: I doubt if the people in Customs have seen very many Secretaries of the Treasury. Let me let Mike Blumenthal come and get acquainted first, and then later on, I'll try to come.

When I got elected Governor of Georgia, I had a similar desire to meet with the people who work in the government, so I went over to our revenue commissioner's office. And I was going through from one office to another, and there was a very old gentleman there who had obviously been there 20 or 30 years. I shook hands with him and I said "Have you ever met a Governor before?" He said, "I've never even met a revenue commissioner before." [Laughter]

I want you all to insist that Mike Blumenthal come, and I'll come when I can.

GOVERNMENT REORGANIZATION

Q. In your plan for government reorganization, do you foresee any changing of the law for the Treasury Department? Specifically, do you see us taking on any new responsibilities or losing any old ones?

THE PRESIDENT. I can't answer that question yet. What we will do, first of all, is get the authorizing legislation and then start an analysis. The staff work will be done by the Office of Management and Budget, primarily. I'll probably appoint someone directly to represent me as a coordinator of the entire process. But nothing would be done, obviously, without the full participation of you who are involved, working through Mike Blumenthal, before a change was made.

But I can't answer your question about specific changes that might ultimately be recommended to the Congress.

What I'm asking for is the same authority that was given to all the Presidents from Franklin Roosevelt, in the early thirties, right on up through Richard Nixon. And we've introduced a bill now that I think will get rapid passage in the Senate and, I think, without delay get approval in the House that will restore that authority.

What it does mean, in effect, is that I can present to the Congress a reorganization plan whenever I develop one on a specific subject. And if the Congress doesn't veto that plan in either House in 60 days, it automatically goes into effect.

The only change that I'm requiring or requesting, compared to the previous authority, is that while the bill or plan is still in committee, I would have the right to amend that proposal before it gets on the floor. In the past, once it was submitted to Congress, no amendments were permitted. But with that one exception, it will be the same as the authority given to Richard Nixon, for instance, when he came in office in 1969.

I can't answer your question about specific changes yet.

FEDERAL REGULATIONS; TAX REFORM

Q. Mr. President, I read in the paper that you are asking the Cabinet members to read their regulations before they issue them. I think it might be interesting to see if the Cabinet would fill out the new short forms on income tax regulations.

THE PRESIDENT. I've noticed, as a peanut farmer, that the 1040 gets simpler and simpler every year. And I've just hired my second CPA to help me fill it out. *[Laughter]*

I think that you will see that if our economic stimulus package proposal goes through, giving a standard deduction of \$2,800 to every family, that it will be indeed much simpler. And we have some plans already that we almost proposed to Congress that would be included in a comprehensive income tax reform that I hope to make it very simple. But after this year, if the Congress adopts just this first-step proposal, 75 percent of all the taxpayers of our Nation will be able to fill out by themselves the income tax return, which will be a big step forward.

I know that my request to the Cabinet officers to read all the regulations that are issued is a very, very onerous task. I also know that my request that the ones who are responsible for writing the regulation sign it might create some problem. But I want to make sure that the regulations that come out of the Federal Government, first of all, are necessary; secondly, are brief as possible; third, are worded in plain and simple English and, also, accurately represent the policies of the Secretary or the member of Cabinet or my own administration.

Now, if it takes all weekend for the Secretary of Treasury to read those regulations, I'd like for him to do it—*[laughter]*—not on a permanent basis. But I think it's very important that the Secretaries of HEW and HUD and Transportation and Treasury actually read those regulations for awhile to see the enormous volume that comes out. And then, I think, they'll be able to call a meeting of those who are responsible for writing the regulations and say, "Look, why can't we cut down on some of this volume? Why can't we simplify the language, and why can't we leave more responsibility and judgment up to our field workers to exercise common sense?"

Now, I'm going to be doing the same thing at the White House level. I've already spent a good bit of time studying the overall procedure by which Government regulations are issued. And I've already had a meeting with the members of the Government Operations Committee in the Congress to start working out some changes in the law that might reduce the onerous requirement for the writing of regulations.

I never dictate a letter. Almost all of my memoranda are written on one side of one sheet of a 5- by 8-inch pad. I can write it very quickly, send it out, and it's done. I hope that every person in the

Federal Government not will quit dictating—[laughter]—but will try to abbreviate the enormous volume of paperwork.

And I would also hope—to close out a long answer to a very good question—that in the reports required from people around the country on basic data, that we might have several of our departments get together and share the preparation of requisite forms, so that a businessman who does have to submit information about his own affairs could fill out one form and let HUD and HEW and EDA and Transportation and others share the information that comes in on that form.

But I'm determined to accomplish this before I go out of office. If I do, my administration will have been successful, even if I don't do anything else.

GOVERNMENT RESPONSIVENESS

Q. Mr. President, your intention to get a handle on the Federal Government and make it more responsive to the average citizen—as a part of that process of getting a handle on it, there are literally thousands of Government workers who are not in the supergrade status, so to speak, or the higher levels of Government, who feel that they want to make this type of responsive contribution for the citizenry, and yet we are—the proverbial word—weighed down so heavily by the mass of bureaucracy. As part of your intention to get a handle on Government, will there be new types of programs that will allow this, what I like to refer to—or really don't like to refer to it as such—but it is a wasteland of power and energy. And we want to contribute, but how do we get out of that boxed-in feeling?

THE PRESIDENT. Let me answer very quickly. When I became Governor of Georgia, I ran on a platform, similar to my Presidential platform, of reorganizing the Georgia government. I thought that the civil service workers would be my

major obstacle in reorganizing the government.

When I got in office, we turned to the civil servants, who were by far the most knowledgeable people, for help. And they were involved in the initial stages of the preparation of proposals for improvements. They became my strongest supporters, because every one of you in this room—even much more than Mike Blumenthal and Jimmy Carter—are devoting your whole life to your professions in serving the American people in Government.

You've just got one life to live on Earth, and I know you want to do a good job. And to be constrained from giving good service by unnecessary paperwork, regulations, complexity of assignment, a lack of specificity about who has responsibility for a job, the multiple division of responsibility for the same function among many agencies—those things sap away the ability that you have to do a good job.

So, reorganization is a kind of a—not a good word, perhaps; I wish there was a better word—but I think it ought to originate with you.

And any time any of my Cabinet officers bypass the civil servants, at whatever grade in that process, they will be violating my own instructions and making a very serious mistake. It will also be a sacrificial or suicidal mistake, because unless we have your support and your participation and your advice, we're not going to succeed in making a change, even if we want to. But I would like for it to come from you, up through your superiors, ultimately to me.

The other thing we are going to do is this: The 1979 fiscal year budget will be prepared using zero-based budgeting. This is a procedure that I used in Georgia for 4 years. It's simple and it works. It puts every function—whether it's been here 50 years, 5 years, or the first time next year—on the same basis. You don't

just analyze the new proposals for next year; you analyze all the functions that have been there for a long time. That's important.

But the second thing is this: It lets the people deep within the department, the supervisors, maybe, of just 8 or 10 people, prepare an analysis of what you are doing, how many people you have working for you, how much money you are spending, the ultimate service that you are supposed to be delivering, and your own suggestions on how your performance might be improved.

Now, this would result in tremendous savings, obviously. It would give you an automatic way to express a pent-up hope for more efficient delivery of services that you might have had for 5 or 10 years, and it will let your superiors know that you are striving to do a good job. Ordinarily in government—I know State government; I'll just speak for it—if somebody does have a good idea, they are very afraid to propose that idea because they might be rocking the boat or changing the status quo and they feel that they might suffer.

But if there is a standard report, a budgeting form, which is one side of one sheet of paper—that's all—you can fill it out with a ballpoint pen, you don't even have to type it, and those contributory, beneficial suggestions work their way up to the top. And then your department heads arrange those suggestions in an order of priority. We start at the top and fund down as far as we can. It will make sure that the money that is allocated to you goes further, and it also makes sure that you have a voice in the preparation of the next year's budget.

Those kinds of changes help to weld together in a cohesive way the newest and most junior employee with the Cabinet officer who's the head of your Department, and ultimately to me.

So, I'll do everything I can to make sure that we do have a way to make your own lives more meaningful, to make your own Department more effective. And my success or failure, as I say, depends almost directly on how much you trust me, how much I trust you, and how closely we are tied together in a common purpose that can't be severed.

And I believe we have the hope among the American people that we succeed. There is a good sense of new confidence and good will that exists around our Nation now toward all of us. And I just want to be sure that in no way we ever betray that hope and betray that confidence.

Thank you very much.

NOTE: The President spoke at 1:38 p.m. in the Cash Room at the Department of the Treasury.

Department of Housing and Urban Development

*Remarks and a Question-and-Answer Session With Department Employees.
February 10, 1977*

SECRETARY HARRIS. Mr. President, welcome to HUD.

I've been here slightly under 3 weeks, and this is a great group. We are delighted that you share our commitment to revitalizing the cities and the housing of the low and moderate income in this country.

We hope, Mr. President, that this is but the first of many visits during your 8 years in office.

THE PRESIDENT. Thank you. Thank you. Well, Pat, just coincidentally, I've been here a little less than 3 weeks, also. [Laughter] We're going to need all of you to help us newcomers do a good job in Government.

I think this is an agency which is one of the newest, but which also has the greatest potential to let people in our Na-

tion know that the Government really cares about them.

I was over yesterday to the Commerce Department, and a man named Dr. John Taylor, in the Statistical Division, introduced me, who had gone to work in the Commerce Department in 1929. He was finishing 48 years of service this year.

ADMINISTRATION POLICIES

The continuity of government is something that's ever present on my mind. As I walk into the rooms and into the halls of the White House where great Presidents of the past have been, I have a sense of history. I also have a sense of crisis and challenge and disappointment, but, at the same time, a realization that the American people have always been strong enough to compensate for mistakes that are often made by leaders of our Government.

As all of you know, in the last few years there have been disappointments and and embarrassments and, sometimes, even shame, brought about not through any fault of your own—the professional, qualified civil servants of our Nation—but by political leaders in making judgments concerning Vietnam and Cambodia and Watergate and the CIA revelations and the FBI violations of the law.

Well, I think it's time for us to realize, too, that our Government is a good government. It represents accurately, when we do our best, what the American people are and what the American people would like to be.

And instead of being an embarrassment and a source of alienation, I hope that in the next few years, that we can provide a sense of inspiration, a legitimate hope, and a sense of partnership and mutual appreciation between Pat Harris and myself and you on the one hand, and the American people on the other.

I doubt that anyone has ever conducted the kind of campaign for President that I've experienced in the last 2 or more years—constant walking the streets, meeting people in their homes, standing in factory shift lines, listening to injured citizens, visiting abandoned homes, deteriorating neighborhoods, hopeless people in a nation that's economically the strongest on Earth.

And I hope to do all I can to repair the suffering and to answer the difficult questions and to separate what's good in our Government and ought to be preserved from what is not good in our Government and ought to be changed.

I'm not afraid of change. I know you aren't either. You work in a department that's constantly probing ways of correction of mistakes of the past.

I'm no better than you are, and Patricia Harris is no better than you are. And none of us in this enormous room are any better than the people that we serve. But sometimes government officials, including, obviously, the President, are tempted to think that we have a position of leadership because we deserve it. And we therefore take a position that those that we serve don't have the last voice, that their claims are not legitimate, and that we ought to ignore their criticisms and suggestions.

This Department and the employees in it, both in Washington and outside of Washington, have a nationwide sense of what our country's problems might be and how they might be resolved.

We have an opportunity to make those beneficial changes in the organizational structure of the Government itself and in the efficiency and capability and sensitivity with which authorized services are delivered. But it's a human thing. It's not an autocratic thing. It's not a bureaucratic thing. It's not derived by regulations or guidelines. It's not derived by a

sense of superiority. It can only be sensed by you, and it only can be served by recognizing the human needs that exist.

I want to make sure that you feel a partnership with me. We're going to get authority, I believe, to reorganize our own Government. It will be done with your full participation.

No Federal employee will be discharged because of reorganization. No Federal employee—none will be demoted because of reorganization. There might be some who need to transfer people from one job to another without any loss in your pay or seniority status. If you have to be transferred to another different job, you will be given training to meet the needs of that new job, commensurate with your ability, at the Government's expense. There may be occasions when those vacancies exist that won't immediately be filled.

But what we want to do through this whole process is have a melding of a partnership between you and me, through the Cabinet officers, of course, to make your lives more meaningful.

Presidents come and go—4 years at a time. So do Secretaries of major Departments. But the professionals like yourselves stay here.

I know that I have had and, perhaps, even will have, different careers to pursue. You have one basic career, and you serve the Government quite often in a sacrificial way. Just wanting to have people live in better homes and live in better communities—it's a very worthy pursuit.

I want to make sure that whatever I do as President of our country in changing the structure or the priorities in our Government, it makes your lives and your professions more meaningful. If I fail in that, then I've not only insulted you and your integrity as an individual, but I've also caused to suffer the people who elected me to office and whom I love very

deeply—as do you. So, this has got to be a common pursuit. We've got many broad, multiagency problems.

One announcement that was made today concerns an organization committed to the saving of energy. Vice President Mondale will be a cochairman, along with former President Ford, and this will permeate the entire country. It will require some sacrifices among people. Particularly, if we are not wise, those sacrifices will be exaggerated. But if homes are properly insulated, which is a highly labor-intensive effort, then the suffering can be minimized, and the waste of energy and the waste of money and the waste of human resources can be minimized as well.

It costs \$1.50 a barrel to save oil. It costs \$15 a barrel to use oil. And if there is one agency in Government that can be responsible for the saving of more energy, it's you. So, just because James Schlesinger is responsible for energy in general, detracts in no way from your direct, personal responsibility to join in this effort on a nationwide basis.

You might be interested in knowing that Saudi Arabia has come forward to offer to help finance this citizens-type effort, along with Israel, and along with the consumer groups, along with the business groups, along with the Governors, along with the oil companies. It's to the advantage of all of us to save energy. You have such a tremendous opportunity to restore confidence in Government and to participate in an exciting administration that all of us, I think, can be bound together through that hope and anticipation of success.

I'm going to make mistakes. I don't claim to know all the answers. But the success of my own administration—and I'm determined that it will be successful—depends on you. And if I should fail, to

a major degree it will be because I failed to tap the tremendous capabilities, intelligence, experience, and commitment that exists among you all.

I also consider myself responsible for your happiness and for your well-being and for your realization of a fruitful career expended. And I want to be sure that we have that sense.

I want to also spend this next few minutes answering your questions about my own responsibilities to you, and how we might share those responsibilities. And if you have questions now, we have 5 or 10 minutes. If I can't answer them, I'll ask Patricia Harris to do the answering for me.

QUESTIONS

GOVERNMENT REORGANIZATION

Q. [*Inaudible*]

THE PRESIDENT. The question is, in my reorganization plans for the Federal Government, do I see the creation of any super-type Cabinet agency that might change the existing status?

No. The only agency that I can see at this point that might be created new would be a department of energy. This would not come under the reorganization authority that we've already asked the Congress to give to me. The creation of a new energy department would be initiated by full-type legislation. It will be presented to the Congress before or by the 1st of March, and many of the functions that presently exist in other agencies of Government—possibly the FPC, possibly EPA, possibly ERDA, some elements within Interior—will be transferred into the new department of energy. But that would require separate legislation that would not come under the reorganization authority that I've asked the Congress to give to me.

ZERO-BASE BUDGETING

Q. [*Inaudible*]

THE PRESIDENT. The question is, the Secretary of Agriculture, Bob Bergland, has asked all his employees to justify their jobs by describing to him what their function is and what they achieve while serving the Government.

I did not instruct him to do that. I have no complaint against his proposal. That would be something for Pat Harris to decide in your Department. But let me say this: Along with government reorganization will come another mechanism which will, in effect, do what he has proposed in a generic way. And that's the creation of a new kind of budgeting.

While I was Governor of Georgia for 4 years, we had what we call zero-based budgeting. The 1979 fiscal year budget, which is the next one, will be prepared using zero-based budgeting. What it does is to start from scratch every year, and whether a program has been in existence 50 years or 5 years or for the first time next year, those programs will be put in an order of priority.

Every program will be reassessed every year. Not only that, but the process uses a one-page form, one side of one sheet of paper. It's filled out by people deep within the department at the supervisory level, maybe sometimes having only 5 to 20 employees. They describe, or you describe—you can use a ballpoint pen if you want to, or you can type it; it's a very simple form—"This is what I have to contribute. This is the number of people who work under me. This is the amount of money I spend every year. This is how much I will need next year and in the year after next. These are my suggestions for a better and more fruitful performance in government."

And then that proposal comes in to their supervisor, and it works all the way

up to Pat Harris, and she arranges those proposals or functions in an order of priority. That is the way the budgets function. But it does two things: Every year, it reassesses what the Government does, and every year it gives you a chance to participate in the preparation of next year's priority programs and next year's budget.

It also gives you a good opportunity, almost a required opportunity, to give your suggestions for which phases might be eliminated, which ones might be increased, which ones might be changed in form to make them more efficient.

HOME INSULATION

Q. [*Inaudible*]

THE PRESIDENT. Well, I think the requirements, first of all, from the Government, on the quality of housing, would be a major contribution to the required insulation of homes.

Secondly, the giving of benefits and low interest rates would be another contributing factor to better insulation of homes. That would exist in Government loans and also in loans from private banks within which the Government was not even involved. Some banks in this country now, particularly in the State of Washington and others, have already begun to give loans to homes with lower interest rates if they would implement very simple, energy-saving commitments in the construction of a new home or the repair of an existing home.

This has not, obviously, been worked out in detail. As I said before, James Schlesinger will be working with me, with Pat Harris and many others, including yourselves, to evolve a comprehensive policy.

But I would say that the major thrust of a new energy proposal will be conservation. We now import about 10 million barrels of oil a day. We now waste energy

equivalent to 10 million barrels a day. That can be eliminated. And this is a very serious problem for us all. Just reducing the thermostat 65 degrees, which I notice—[*laughter*]*—I know, I know.* Just reducing the thermostat to 65 degrees will save enough natural gas in our Nation to meet half the shortage that we've experienced in the last 2 or 3 weeks. So, conservation will be the keystone of a new energy policy.

But it will be fully debated and fully distributed to everyone by April 20, at which time we'll also have legislation being prepared to go directly to the Congress.

LOW-INCOME HOUSING

Q. [*Inaudible*]

THE PRESIDENT. Fine. Do you want to ask the other question, too? I will answer both.

Q. [*Inaudible*]

THE PRESIDENT. I am probably going to have to go to someone else. Is that your favorite? I will answer one. The question was, am I going to pursue the concept that was very important in previous years, of trying to provide low-income housing to people both for ownership and for rent—I guess, both single-family dwellings and multiple-family dwellings. The answer is yes. I see this as a very great need.

We also, of course, want to continue with section 8 and other programs, and also the 202 programs for senior citizens. I think it needs to be a broad-based approach to enhancement of housing ownership and rent.

When I resigned from the Navy, for instance, in 1953, I had three sons. The oldest one was just starting in the first grade. I didn't have any money. I came back to Plains, Georgia, and I lived in a Government housing project. My rent was \$31 a month. [*Laughter*] I started a

business. I didn't have any employees except myself. And the first year, I didn't make enough money to pay my rent. And the second year, my wife went to work with me. And in the third year, I hired my first employee. But had I not had that Government housing to start my own family life, I would have been in very desperate straits.

So, I know from personal experience what it did mean to me. I know what it means to many people who are not nearly so fortunate as I am now. And the responsibility for delivering that housing to homeowners is your own.

Now, we've had bad experience in the past with some of the housing programs that Congress promulgated to alleviate these problems. Part of the fault was in a lack of enthusiasm from the White House. That will not be a problem in the future.

EMPLOYMENT OF COLLEGE STUDENTS

Q. [*Inaudible*]

THE PRESIDENT. The question was—I won't give the preamble—since bureaucrats don't last forever, is there any plan being made for college students to come into the Government just during the summer to learn about Government, to try themselves out, and see if they want a future career in Government in the future? Is that basically your question?

Q. Yes, that is what we have in mind.

THE PRESIDENT. This was done, again, while I was Governor. We had a small government, comparatively speaking, but we brought about 600 or 700 college students per year into the State government for 3 months at a time. They worked in very responsible jobs for that 3 months, in all facets of government life. They were paid a very small amount of money, but they got college credit, in many instances, if they were college students.

We also brought in college-age young people who did not attend college, and

they were paid a higher salary for doing the same work. But we derived many very fine, permanent public servants from that program that we would not have gotten otherwise. And I think this is a good approach. As a matter of fact, one of my college interns in those days is a special assistant to Cecil Andrus in the Interior Department.

And this is the kind of program that I think can be very good. It gives also a chance to fill in some of the gaps during major vacation time, and it also brings some fresh and new ideas into an agency or a branch of an agency from the college-age students who are going to come and go.

And we always asked them as they left to give us a brief summary of some beneficial suggestions that they had to improve the agency within which they had worked temporarily. And those were assessed by the department head, and quite often they were very valuable to the government.

So, yes, I think the concept that's now described in the White House Intern program, ought to be throughout the entire Government—and will.

EQUAL EMPLOYMENT OPPORTUNITY

Q. [*Inaudible*]

THE PRESIDENT. The question was about establishing a Cabinet post for EEO. I don't intend to do that, but I do have an awareness of the problem that we see. Now this is typical of what we need to do about reorganization.

I believe we have seven different Federal Government agencies responsible for equal employment opportunities, and none of them function as effectively as they should. We are making some progress in providing opportunities for women and minority groups where they did not exist before. We haven't been fully successful, but I think we've made a good start.

But I'd like to bring those agencies together in a much more cohesive form. We now have a backlog, so that if you have a legitimate complaint—either in government or private industry—about discrimination, it takes an average of 3 years now before a determination of that case can be completed. And in the meantime, of course, that employee who may have been suffering may have moved somewhere else. All the witnesses that knew about the original circumstances have gone, and most of the cases are resolved just by the withdrawal of the original complaint.

But I think if we can bring some renewed strength into the equal employment opportunity field, that it will help.

I might add one other thing. I have tried to do this at the top levels of Government. At the executive level, the top five grades in the Cabinet-led Departments, we have more than tripled the number of women employed under the last administration, which was the highest up until then. We had 9 women; we now have 29 women in the executive levels. We have doubled the number of black citizens from 8 to 16. We've tripled the number of Spanish-speaking citizens, and we're only two-thirds of the way through.

So, we'll set a good example, and I hope that all of you will help with this very serious problem. It's not easy to change the way of habit that's existed for many, many years, but we're trying. And I see, in looking across this group, that a great deal of progress has already been made in HUD. We hope to equal this progress in the other departments.

Q. Bravo!

Q. No!

THE PRESIDENT. I heard some "noes." Not enough progress; we've got to make some more.

FLEXI-TIME

Q. [*Inaudible*]

THE PRESIDENT. I got a question the other day—I think at the Labor Department—about flexi-time. I don't know the answer to that yet. I think that this is going to be a part of the energy policy proposal. As you know, it's much more efficient in the conservation of energy if there is a stretching-out of employee attendance or presence within a building. And it also is becoming more and more of a problem in holding families together to have some flexibility in the times that people work.

I don't know the answer to that. That will address itself primarily to the Secretaries at the Cabinet level. But I think the concept is a good one.

I might add one other thing that just came to mind. I have asked my own White House staff, and I've also asked Pat Harris and the other Cabinet members to protect the integrity of their own family. I think it's very important that all of us in Government not forget that no matter how dedicated we might be and how eager to perform well, that we need a stable family life to make us better servants of the people.

So, those of you who are living in sin, I hope you'll get married. [*Laughter*] Those of you who have left your spouses, go back home. And those of you who don't remember your children's names, get reacquainted.

But I think it's very important that we have stable family lives. And I am serious about that.

FEDERAL JOB DISCRIMINATION

Q. [*Inaudible*]

THE PRESIDENT. Well, this was a question that was raised yesterday, too, about the Civil Service policies being one of the causes of discrimination against women and minority groups. This is quite often the case.

It's a case in State government, because most of the entrance examinations for service in government, most of the examinations required for promotion are prepared by white men for white men. And quite often—I didn't believe this when I first became Governor, but they came and brought me some of the entrance examinations, for instance, for Georgia State Patrol. And just because of the wording of the questions, it made it almost impossible, for instance, for a young black man to qualify to serve in the Georgia State Patrol.

And you see what is inadvertent or accidental discrimination, then you start searching for a way to be fair. We want to be fair.

If you have an occasion to witness an actual incident where it might be improved to eliminate discrimination, I hope you'll bring that to the attention of Pat Harris, and I'm sure she'll bring it to my attention. She's very forceful about doing that.

Maybe one more question.

TAX REFORM

Q. [*Inaudible*]

THE PRESIDENT. The question was, would I favor withdrawing the tax deductions and substitute tax credits? Yes, I favor that move. In the economic stimulus proposal that we presented to the Congress, there is a permanent change in the Tax Code that will give a standard deduction. That will provide simplicity quite different from your 1976 income tax return, which you've already seen. It will provide a very simple, single computation for 75 percent of all the taxpayers in the Nation.

The next move will be comprehensive income tax reform. This will be headed by the Secretary of the Treasury, Mike Blumenthal. And before the end of this year, we will be ready to recommend to

the Congress a comprehensive, overall tax reform proposal. Surely, one of those proposals will be to give a standard credit on your income tax to be paid, and not the standard deductions. As you know, the difference is that the standard deduction helps much more the very high-income families, while credit—this is where you deduct so many dollars for the income tax you owe—is of much more benefit to those who make low incomes. So, this will certainly be part of the overall tax package.

We thought about doing it in the economic stimulus package, but we couldn't afford it. The standard deduction costs about \$4 billion. If you are a family that earns about \$10,000 a year, that will be about a 30-percent refund to you with that saving, and a \$50 refund. And the permanent tax reductions that I referred to will be almost that much on a permanent basis. Yes, we are going to shift away from the regressive tax structure to a much more fair one for the low- and middle-income taxpayers in this country.

Let me say this in closing—I don't have time for other questions—it's a great honor for me to have a chance to come and meet with you. I have the highest respect for you, and I have the deepest appreciation for what you've meant to our Government. I believe that I have had a chance in the last 3 or 4 months, to search through tens of thousands of people that I thought were the best qualified persons in this Nation to serve with me in the Cabinet. There is no doubt in my mind that I've chosen the best person that I know to serve as Secretary of HUD.

She's going to make some mistakes, and so am I. And I hope that you, who have been here a long time, who know more about this Department than I will ever know, will assess my weaknesses and even Pat Harris' weaknesses and not take advantage of your knowledge to criticize

and to separate you from us. But I hope that you might do an extra amount of thinking and work to supplement my weaknesses and hers, to make sure that we have a well-coordinated effort to make HUD an effective Department.

There have been a lot of criticisms of the Housing and Urban Development Department. I think some of them are justified. Part of them have been derived from constantly changing policies and procedures and guidelines and regulations and laws. Many of them have caused you to be frustrated and disappointed.

I hope that we can provide long-range policies that are predictable and fair and that we can carry out. I can promise you that most of those policies will be derived not from the White House, but from you, yourselves. And I hope you will feel an integral commitment to join with me and Pat Harris and others, in making possible a restoration of the esteem which your own work has deserved, but which your Department quite often has not earned or realized.

So, we're in it together. We are partners serving the people in the finest government on Earth.

I'll try to do the best I can to be a good President. I know that you will join me in realizing the hopes of the American people.

Thank you very much.

NOTE: The President spoke at 2:20 p.m. in the cafeteria at the Department of Housing and Urban Development.

The Jimmy Carter Personal Assets Trust

Text of the Trust Agreement.
January 20, 1977

THIS TRUST AGREEMENT is made as of the 20th day of January, 1977, by and

between JIMMY CARTER of Plains, Georgia as "Grantor" and CHARLES H. KIRBO of Fulton County, Georgia, as "Trustee."

1. Purpose.

This trust is created so that the Grantor, while he is serving as President of the United States, will be isolated from those of his assets which are most likely to be affected by actions of the federal government and its agencies. The Trustee will control, manage, invest and reinvest all assets of this trust in his sole discretion and without consulting the Grantor or informing him about any specific trust properties in any respect. The Trustee is directed, however, to proceed with judicious deliberation to arrange the assets of the trust so that the trust's income will not be substantially affected by federal legislation such as price supports for peanuts or other agricultural products. A net lease of any property at set rental amounts unrelated to future profits or an investment in government securities or commercial savings accounts will always be considered to be consonant with the purpose of this trust.

2. Trust Property.

The Grantor has simultaneously with the execution of this Trust Agreement, transferred and delivered to the Trustee the property described in Schedule "A" attached hereto, which the Trustee agrees to hold in trust in accordance with the terms, conditions, and purposes of this Trust Agreement. Such assets are transferred to the Trustee subject to any loans for which they may be pledged. The Trustee acknowledges receipt of the property shown on Schedule "A" and accepts the trust upon the terms set forth in this Agreement. Additional property may be added to this trust by the Grantor or other persons at any time provided that the Trustee agrees to accept such additional property and provided that all such

additional property shall be held and distributed under the terms of this Agreement as though it had been an original part of the trust.

3. Distributions of Income.

The Trustee shall manage the trust property, receive the income therefrom, pay all necessary expenses incident to the administration of the trust, and distribute the income remaining thereafter (but only to the extent that cash is available therefor) to the Grantor (or, in the event he becomes incapacitated, for Grantor's benefit) at least annually except to the extent that the Grantor directs the Trustee in writing to accumulate all or a portion of such income or to distribute all or a portion of such income to other persons or corporations. The Trustee shall give the Grantor reasonable notice before making a distribution of such income to him so that the Grantor can determine whether he wishes to give the Trustee any directions concerning such distribution. The Trustee is authorized to borrow funds so that cash will be available to make distributions of income as provided above.

4. Distributions of Principal.

The Trustee in his sole discretion may distribute principal which consists of cash to the Grantor, or as the Grantor may request in writing. The Trustee is authorized to use any or all of the principal of the trust to provide for the support in reasonable comfort of the Grantor, his wife, and any of his minor children, taking into consideration any other sources of support available to any of them. The Grantor may direct the Trustee at any time to distribute principal of the trust (in cash or in kind) to one or more organizations described in § 170 of the Internal Revenue Code. The Grantor may also direct the Trustee to distribute to or for his benefit principal (to the extent cash is available therefor, including borrowed

funds) so that capital gains taxes generated in the trust and owed by the Grantor may be paid as required by law, or so that any indebtedness of the Grantor (whether principal or interest) may be paid. The Grantor shall also have the right from time to time to direct the Trustee to distribute to him all principal of the trust held in cash or cash equivalents which is not required (as the Trustee in his sole discretion shall determine) for the proper administration of the trust, taking into consideration its reasonably foreseeable cash requirements.

5. Termination of Trust.

Unless the trust has been fully distributed under the foregoing provisions at an earlier date, this trust shall terminate upon the earlier of (i) Grantor's death (in which event the trust property then remaining shall be delivered to the personal representatives of Grantor's estate) or (ii) Grantor's ceasing to be President of the United States (in which event the trust property then remaining shall be distributed to the Grantor or as he may otherwise direct the Trustee in writing). Notwithstanding the foregoing, the Grantor and the Trustee may agree in writing that the trust shall be continued in respect of some or all trust assets for a set period after the Grantor ceases to be President of the United States and upon such terms as they may determine in writing at that time. The personal representatives of Grantor's estate shall not be required to inquire into or audit the acts or doings of any Trustee or to make any claim against such Trustee or his estate, but the personal representatives may demand such accounting by the Trustee as they deem appropriate.

6. Reports and Accountings to the Grantor.

The Trustee shall not make any reports or accountings whatsoever to the Grantor

or any other beneficiary of the trust except that he shall give to the Grantor an annual report containing (i) the information required by the Grantor in making any mandatory reports or returns to any government authority and (ii) the aggregate net asset value of the trust (including the amount of principal held in cash or cash equivalents). All such reports to the Grantor shall avoid the identification of any specific assets of the trust unless the withholding of such information would necessitate a violation of any applicable laws. The Trustee may make reports or accountings to persons other than the Grantor or any beneficiary of the trust as the Trustee shall deem desirable, provided that the Trustee is assured that such information will be kept confidential. Notwithstanding the foregoing, on termination of this trust the Grantor may demand a full accounting by the Trustee.

7. Reports to Court.

The Trustee shall not be required to file any inventories, appraisements, accounts, reports or returns of any kind to any court or to give bond.

8. Successor Trustees; Resignations; Compensation.

(a) If the original Trustee shall cease or be unable to serve as Trustee, the Grantor shall have the power to designate the person or those persons (including corporate persons) who shall serve as Trustee(s) of this trust. If all such designees (including successors thereto) should fail to qualify or should cease or be unable to serve in this capacity or if the Grantor shall fail to make a designation, then B. HARVEY HILL, JR. (currently with Alston, Miller & Gaines, of Atlanta, Georgia) shall serve as the Trustee. If B. HARVEY HILL, JR. should fail to qualify or should cease or be unable to serve as Trustee,

then FRANK MYERS (currently of Myers & Parks, of Americus, Georgia) shall serve as Trustee of this trust.

(b) A Trustee may resign by delivering written notice of such resignation to the Grantor at least sixty (60) days prior to the effective date of such resignation.

(c) No successor Trustee shall be required to inquire into or audit the acts or doings of any predecessor Trustee or to make any claim against any such predecessor Trustee or his estate.

(d) Any successor Trustee shall have and may exercise any or all of the powers herein conferred on the original Trustee as fully and to the same extent as if such successor had originally been named as Trustee herein.

(e) The Trustee shall be entitled to reasonable compensation for his services. The Trustee may suggest to the Grantor from time to time the amount of reasonable compensation to which he feels entitled and unless the Grantor objects, the Trustee shall pay himself the amount suggested. Any disputes concerning the compensation of the Trustee may be resolved by the Probate Judge of Sumter County, Georgia, in his sole discretion.

(f) The Trustee shall be entitled to reimbursement for any expenses reasonably incurred by him (including compensation and reimbursement of agents employed by him) which are appropriate for the proper administration of this trust.

9. Amendments and Revocations.

This trust may not be revoked or terminated except as provided above. This Trust Agreement may not be modified except by instrument in writing signed by the Trustee and the Grantor. However, the Trustee shall not agree to any amendment which is in derogation of the purposes of the trust described in Section 1 above.

10. *Powers of the Trustee and the Grantor.*

(a) In the management, care and disposition of any and all trusts created hereunder, the Trustee shall have the power to do all things and to execute such instruments as he may deem necessary or proper, including the powers set forth in Ga. Code Annotated 108-1204 (1973 Ga. Laws 846-856) as amended to the date of the creation of this trust, all of which may be exercised without order of or report to any court. Furthermore, no sales shall require advertisement.

(b) The Grantor acknowledges that during the term of this trust he shall have no right, title or interest in, and no power or privilege to control or affect, the trust property or the income therefrom except as specifically provided in this Agreement.

11. *Concerns of the Grantor.*

Without diminishing the powers granted above to the Trustee, the Grantor wishes to make known certain of his concerns which he hopes (but does not direct) that the Trustee will recognize as he administers the trust.

(a) Above all, the Grantor wants the Trustee to arrange the assets of the trust so that no one should reasonably assert that the Grantor's actions as President were motivated by a desire to foster his own personal monetary gain or profit. The trustee may be able to accomplish this result by leasing certain assets or he may determine that it is necessary to sell all assets originally transferred to the Trustee.

(b) Grantor hopes that the Trustee will be sensitive to the fact that his brother, BILLY CARTER's livelihood is directly affected by many decisions which the Trustee will make. The effect of such decisions on BILLY CARTER, who has been the Grantor's business partner for many

years should be weighed carefully by the Trustee.

(c) It is possible that one of Grantor's sons, especially JAMES EARL CARTER, III, may want to become a part of those businesses in which the Carter family has been involved for many years. Grantor hopes that the Trustee will be able to preserve such possibility for his son(s) in a manner which nonetheless protects the main purposes for which this trust was created.

(d) The Grantor has an affinity for those farm lands which are owned by Carter's Farms, Inc. and he hopes that the purposes of this trust can be accomplished without the Trustee's having to sell the farm lands.

12. *Miscellaneous.*

(a) This trust shall be interpreted in all respects under the laws of the State of Georgia.

(b) Transfers to and from this trust may be made as follows: "(Name of Trustee), Trustee U/A Jimmy Carter dated 1-20-77".

(c) This trust may be referred to as "The Jimmy Carter Personal Assets Trust."

IN WITNESS WHEREOF, the undersigned have signed this Agreement as of the date first shown above.

JIMMY CARTER, Grantor
CHARLES H. KIRBO, Trustee

NOTE: The text of the agreement was released on February 11. As printed above, the item follows the text of the White House press release.

The Cyprus Conflict

***Message to the Congress Reporting
on Progress Toward a Negotiated
Settlement. February 11, 1977***

To the Congress of the United States:

This report on the progress toward a solution to the Cyprus dispute is the first

of a series that I will submit pursuant to Public Law 94-104. Through these reports and continuing close consultations with the Congress, I will keep the American people fully informed of developments in the negotiations.

Helping to promote an equitable and lasting solution to the problems of Cyprus is a high priority for my Administration. The work has already begun. At my request, former Defense Secretary Clark M. Clifford will leave on February 15 for a special mission to Greece, Turkey and Cyprus, as my personal emissary. Through consultations in Greece and Turkey, he will seek to improve our bilateral relations with these valued NATO allies. With regard to Cyprus, I have asked for his personal assessment of the situation on the island, prospects for early movement toward a negotiated settlement, and how we might be of assistance in this process. Mr. Clifford will consult with the Congress before he departs and again—with other senior officials—after his return, in an effort to produce policies which are effective and which have the broad support of the American people.

We intend to stay in close touch with our other European friends. Vice President Mondale raised the subject during his recent trip and received welcome indications that member states of the European Community continue to share our interest in doing what is possible to encourage a negotiated solution.

We will also continue to maintain close contact with the United Nations in its efforts to promote a peaceful solution. Secretary General Waldheim has worked tirelessly to this end since the summer of 1974. He will soon visit Nicosia for discussions with Cypriot leaders. We hope that through his continued efforts the talks between the two communities might resume in the near future.

Recent positive developments offer some prospect of further progress. One such event was the meeting last month between President Makarios and Turkish Cypriot community leader Denktash, the first meeting between the two in thirteen years. I can assure the Congress that the United States will do all it can to build on these positive developments and advance the cause of a negotiated settlement for Cyprus.

JIMMY CARTER

The White House,
February 11, 1977.

Director of the Federal Bureau of Investigation

Executive Order 11971. February 11, 1977

ESTABLISHING THE COMMITTEE ON SELECTION OF THE DIRECTOR OF THE FEDERAL BUREAU OF INVESTIGATION

By virtue of the authority vested in me by the Constitution and statutes of the United States of America, and as President of the United States of America, in accordance with the provisions of the Federal Advisory Committee Act (5 U.S.C. App. I), it is hereby ordered as follows:

SECTION 1. *Establishment of the Committee.* There is hereby established the Committee on Selection of the Director of the Federal Bureau of Investigation, hereinafter referred to as the Committee. The Committee shall consist of a Chairman and eight other members to be appointed by the President.

SEC. 2. *Functions.* The Committee shall conduct inquiries to identify persons who may be qualified to serve as the Director of the Federal Bureau of Investigation, hereinafter referred to as the Director,

and shall conduct investigations of those persons to determine their qualifications.

SEC. 3. Report; Duration.

(a) The Committee shall submit to the President and to the Attorney General, within ninety days from the date of this Order, a report listing the names of the five persons whom the Committee considers best qualified to serve as the Director and setting forth such other information as the President or the Attorney General may require.

(b) The Committee shall terminate thirty days after submission of its report, unless its duration is extended by the President. So long as the Committee remains in existence, it shall conduct such additional inquiries and submit such additional reports as may be requested by the President or the Attorney General.

SEC. 4. Ineligibility of Committee Members. No member of the Committee shall be eligible to be considered as a possible nominee for the position of Director.

SEC. 5. Cooperation by Executive Agencies. The Committee is authorized to request, through its Chairman, from any Executive department or agency such information or assistance as the Committee deems necessary to carry out its functions under this Order. Each department or agency shall, to the extent permitted by law, furnish such information or assistance to the Committee. The Committee also is authorized to request from any State agency such information and assistance as the Committee deems necessary, and to obtain such information and assistance to the extent permitted by State law.

SEC. 6. Travel Expenses; Administrative Support; Financing.

(a) Members of the Committee shall serve without compensation. While engaged in the work of the Committee, members may receive travel expenses, including per diem in lieu of subsistence, as

authorized by law (5 U.S.C. 5702 and 5703).

(b) The Attorney General shall furnish to the Committee necessary staff, supplies, facilities and other administrative services.

(c) All necessary expenses incurred in connection with the work of the Committee, to the extent permitted by law, shall be paid from funds available to the Attorney General.

SEC. 7. Federal Advisory Committee Act Functions. Notwithstanding the provisions of any other Executive order, the functions of the President under the Federal Advisory Committee Act (5 U.S.C. App. I), except that of reporting annually to the Congress, which are applicable to the Committee, shall be performed by the Attorney General in accordance with guidelines and procedures established by the Office of Management and Budget.

JIMMY CARTER

The White House,

February 11, 1977.

[Filed with the Office of the Federal Register,
1:36 p.m., February 11, 1977]

National Poison Prevention Week, 1977

Proclamation 4486. February 11, 1977

*By the President of the United States
of America*

A Proclamation

As parents and teachers, we encourage our children to be curious and inquisitive. But a child's curiosity can sometimes bring tragedy. Most American homes contain potential poisons—polishes, cleaners, medicines, solvents, and pesticides. When children can find these substances, they naturally experiment with them.

Over the past sixteen years, the number of children under the age of five who have died from accidental poisoning has declined by 68 per cent. New and safer packages for dangerous products are a major reason for this decline. But our children's inclination to explore the unknown may still lead them into dangers that no safety measures can control.

To encourage the American people to remember the dangers of accidental poisoning and to take appropriate preventive measures, the Congress, by joint resolution of September 26, 1961 (36 U.S.C. 165), has requested the President to issue annually a proclamation designating the third week in March as National Poison Prevention Week.

Now, THEREFORE, I, JIMMY CARTER, President of the United States of America, do hereby designate the week beginning March 20, 1977, as National Poison Prevention Week. I urge all Americans and all agencies and organizations concerned with the prevention of accidental poisonings and the welfare of our Nation's youngsters to join in activities designed to encourage the safe storage, use and handling of poisonous household substances.

IN WITNESS WHEREOF, I have hereunto set my hand this eleventh day of February, in the year of our Lord nineteen hundred seventy-seven, and of the Independence of the United States of America the two hundred and first.

JIMMY CARTER

[Filed with the Office of the Federal Register, 1:36 p.m., February 11, 1977]

Department of Justice

*Nomination of Daniel J. Meador
To Be an Assistant Attorney General.
February 11, 1977*

The President today announced that he will nominate Daniel J. Meador, of Vir-

ginia, to be an Assistant Attorney General. Meador is presently a professor at the University of Virginia School of Law.

Meador was born in Alabama in 1926. He received a B.S. degree from Auburn University in 1949, a J.D. degree from the University of Alabama in 1951, and an LL.M. degree from Harvard Law School in 1954.

Meador served in the United States Army from 1951 to 1953. In 1953 he became a law clerk for the Alabama Supreme Court. In 1954 and 1955, he served as a law clerk to U.S. Supreme Court Justice Hugo L. Black.

From 1955 to 1957, Meador practiced law in Birmingham, Ala. He joined the faculty of the University of Virginia in 1957 as an associate professor and in 1961 became a professor. From 1966 to 1970, he was dean and professor at the University of Alabama Law School. In 1970 he returned to the University of Virginia Law School as a professor.

Digest of Other White House Announcements

The following listing includes the President's daily schedule and other items of general interest as announced by the White House Press Office during the period covered by this issue. Events and announcements printed elsewhere in the issue are not included.

February 5

The President met at the White House with:

—Zbigniew Brzezinski, Assistant to the President for National Security Affairs;

—Adm. and Mrs. Hyman G. Rickover and Mrs. Carter for lunch.

The President declared a major disaster for a nine-county area of the State of

New York because of damage caused by an abnormal accumulation of snow and ice resulting from a series of blizzards and snowstorms, beginning about January 16, 1977.

The President declared an emergency for the State of Michigan because of an abnormal accumulation of snow and ice on vital transportation arteries within the State.

February 7

The President met at the White House with:

- Dr. Brzezinski;
- senior White House staff members;
- the Cabinet;
- Secretary of Defense Harold Brown and Bert Lance, Director of the Office of Management and Budget;
- Vice President Walter F. Mondale;
- Acting Mayor Michael A. Bilandic and Alderman Tom Donovan of Chicago and Senator Adlai Stevenson and Representative Dan Rostenkowski of Illinois.

The President announced his intention to retain Jack M. Eckerd, of Belleair, Fla., as Administrator of General Services.

February 8

The President met at the White House with:

- Dr. Brzezinski;
- the Democratic congressional leadership;
- Senator Hubert H. Humphrey of Minnesota;
- Huang Chen, Chief of the Liaison Office of the People's Republic of China, Vice President Mondale, Secretary of State Cyrus Vance, and Dr. Brzezinski;
- Gov. Richard F. Kneip of South Dakota;
- members of the U.S. Supreme Court and their wives for dinner.

The President declared a major disaster for the State of New Jersey as a result of ice conditions on the Delaware Bay and its tributaries and along the Atlantic Coast, beginning about December 26, 1976.

February 9

The President met at the White House with:

- Dr. Brzezinski;
- Democratic members of the House Committee on Government Operations;
- a group of Senators and Representatives from Mexican American border States and districts to discuss Mexican American border problems,

The President sent a personal message of condolence to King Hussein of Jordan on the death of his wife, Queen Alia.

February 10

The President met at the White House with:

- Dr. Brzezinski;
- Senator Charles H. Percy of Illinois;
- Alfredo Duran, chairman of the Democratic Party of Florida, and Richard Pettigrew, former speaker of the Florida House of Representatives.

The President attended a foreign policy briefing in the Cabinet Room for members of the First Family and the senior White House staff.

February 11

The President met at the White House with:

- Dr. Brzezinski;
- representatives of the National League of Families of American Prisoners and Missing in Southeast Asia, Dr. Brzezinski, and Philip C. Habib, Under Secretary of State for Political Affairs;

- Mayor Abraham Beame of New York City to discuss the financial situation of the city;
- Secretary of State Cyrus Vance, Ambassador at Large Ellsworth Bunker, Sol M. Linowitz, Special Representative of the President for the Panama Canal negotiations, and Dr. Brzezinski, to discuss the negotiations;
- Secretary Vance and Dr. Brzezinski;
- Vice President Mondale, Secretary Brown, Dr. Brzezinski, and Mr. Lance.

The White House announced that Jack M. Eckerd has decided not to remain as the Administrator of General Services.

The White House announced that the President expressed his deep personal regret and that of the American people on the death of Fakhruddin Ali Ahmed, President of India. The President designated his mother, Lillian Carter, and his son Chip to represent the United States at the state funeral in New Delhi on February 13.

The President left the White House for a weekend trip to Plains, Ga. He flew to Georgia on board a U.S. Air Force National Emergency Airborne Command Post aircraft and was briefed about the aircraft during the flight.

NOMINATIONS SUBMITTED TO THE SENATE

The following list does not include promotions of members of the Uniformed Services, nominations to the Service Academies, or nominations of Foreign Service officers.

Submitted February 7, 1977

- WARREN M. CHRISTOPHER, of California, to be Deputy Secretary of State, vice Charles W. Robinson, resigned.
- ALAN A. BUTCHMAN, of the District of Columbia, to be Deputy Secretary of Transportation, vice John W. Barnum, resigned.
- TERRENCE L. BRACY, of Virginia, to be an Assistant Secretary of Transportation, vice Roger W. Hooker, Jr., resigned.

NOMINATIONS—Continued Submitted February 7—Continued

- CHESTER DAVENPORT, of Maryland, to be an Assistant Secretary of Transportation, vice Robert H. Binder.
- LINDA KAMM, of the District of Columbia, to be General Counsel of the Department of Transportation, vice John Hart Ely, resigned.
- PETER G. BOURNE, of the District of Columbia, to be Director of the Office of Drug Abuse Policy (new position).
- LEE I. DOGOLOFF, of Maryland, to be Deputy Director of the Office of Drug Abuse Policy (new position).
- C. FRED BERGSTEN, of New York, to be a Deputy Under Secretary of the Treasury, vice Gerald L. Parsky, resigned.
- W. GRAHAM CLAYTOR, of the District of Columbia, to be Secretary of the Navy, vice J. William Middendorf II, resigned.

Submitted February 8, 1977

PAUL C. WARNKE, of the District of Columbia, for the rank of Ambassador during his tenure of service as Director of the United States Arms Control and Disarmament Agency, to which position he was nominated February 4, 1977.

Submitted February 9, 1977

EVAN S. DOBELLE, of Massachusetts, for the rank of Ambassador during his tenure of service as Chief of Protocol for the White House.

Submitted February 10, 1977

ADM. STANSFIELD TURNER, United States Navy, to be Director of Central Intelligence, and to have the grade of admiral while so serving, vice George Bush, resigned.

CHECKLIST OF WHITE HOUSE PRESS RELEASES

The following releases of the Office of the White House Press Secretary, distributed during the period covered by this issue, are not included in the issue.

Released February 6, 1977

Text: authorization and approval of the Charter of the Presidential Advisory Board on Ambassadorial Appointments—by Robert J. Lipshutz, Counsel to the President.

ACTS APPROVED BY THE PRESIDENT

NOTE: No acts approved by the President were received by the Office of the Federal Register during the period covered by this issue.

PRESIDENTIAL DOCUMENTS

Week Ending Friday, February 18, 1977

Visit of President José López Portillo of Mexico

*Remarks of the President
and President López Portillo at the
Welcoming Ceremony. February 14, 1977*

PRESIDENT CARTER. First of all, I want to welcome to our country Mr. José López Portillo and his beautiful wife, Carmen.

This is the first foreign head of state who has come to visit the United States since I've been President. It's an indication of the importance that we attach in our own country to our neighbors to the south. For many years—decades, generations—we have been close friends with our Mexican neighbors.

Recently, when President López Portillo was inaugurated, my wife went to Mexico City to represent me there, early in December, and last month, when I was inaugurated President of the United States, President López Portillo's wife, Carmen, came to be with me during that ceremony.

This exchange of personal friendship, I think, has been apparent to all of our people, and it's just the first stage of an increasingly close relationship that President López Portillo and I, and the people of Mexico and the United States of America, will enjoy in coming months.

I believe that the basis of our own economic and social and political prog-

ress, as we seek harmony among the nations of the world, has to have as a basis a close, continuing consultation and sharing of opportunity in the solution of problems between natural allies and friends, and particularly neighbors.

Just a few days after my own inauguration, Vice President Mondale took an extended trip to Europe and to Japan, and shortly after this visit from the Mexican President, we will welcome to our country the Prime Minister of Canada. And I believe that this first demonstration of our friendship is obvious to the world, a demonstration of importance.

We also feel that we have an opportunity now to correct some of the longstanding economic problems of our two nations, because we know that when Mexico makes economic progress, the United States is aided in our own effort to make economic progress. There is no way to separate our own Nation's future from the future of our allies.

This happens to be the first time in more than 25 years when Mexico and the United States have both elected new Presidents at the same time. And I believe it gives us a unique opportunity for the close, personal friendship to show that there are new ways to deal with old problems.

Immediately after this ceremony, President López Portillo and I will meet in the

Oval Office to begin long discussions about many items that are of mutual benefit and interest to our countries. And before and after that meeting, President López Portillo and his Cabinet officers will be meeting with the leaders of our own country, other than myself.

Recently, we had a very serious problem with an energy shortage, and in an almost unprecedented demonstration of concern, President López Portillo called and offered to us an extra allocation of oil and natural gas to tide us over a temporary energy crisis. I've expressed to him already my personal thanks for this demonstration of sensitivity and friendship and concern.

Our problems are mutual. Our future must be shared. And I pledge to you, President López Portillo, that in the coming months and years, I will go even further than is required through diplomatic courtesy to work closely with you on a personal and an official basis to tie our countries together in an unprecedented and continual demonstration of common purpose, common hope, common confidence, and common friendship.

Welcome to the United States, one of my close friends. I look forward to strengthening this friendship in the future.

PRESIDENT LÓPEZ PORTILLO. President Carter, I know that it is a great honor to be the first official visitor to be received in this country. I know that there is recognition of the circumstances that are brought about by our neighborly position. To be neighbors means to share everything—the good things and the bad things, too.

We are absolutely convinced that it would not contribute to enhance the bad things that life brings on its own. On the other hand, friendship makes it possible for us to make progress by deepening and enhancing all good things. Therefore, it

is advisable for good neighbors to be good friends. And we, the Mexicans, wish to be very good friends of the American people.

We had the great privilege of receiving Mrs. Carter in Mexico on the occasion of the inauguration of the President of Mexico. I wish to thank you deeply for this personal gesture of friendship in sending to us such a distinguished visitor.

I also wish to thank you for the many kindnesses you dispensed my wife when she came to Washington to be present at all the events of the inaugural session for the inauguration of President.

These are some of the many coincidences that prevail in our two administrations. I, too, for the first time am on a state visit. I would like to deepen our coincidences and, therefore, our friendship.

During our coming meetings, no doubt, we shall analyze many subjects. I am absolutely convinced that if these conversations take place within a framework of good faith, we shall be able to overcome and transcend and solve many of the problems which it is natural should exist between neighbors.

The prudent, wise, and good men of our two countries, no doubt, want us to pose our problems in an adequate manner and solve them well. I am sure that it depends on us for the men that are awkward and are not good intentioned not to avoid the possibility of solving our problems. That is why I am greatly interested in cultivating our mutual and good friendship.

I wish to win your respect in order to be able to bring up our problems as they are, and I want for us to find solutions to these problems together. My country accepts and expects a great deal from this visit. We want to make progress in the solution of the problems, and these are problems that will affect one side and the other.

I wish to convey my gratitude, President Carter, for this magnificent reception. I also wish to state that I will lead our relations within a spirit of good faith and good will. I am certain that we can solve our problems and consolidate our friendship based on this framework of good faith and good will.

Thank you.

NOTE: The President spoke at 10:40 a.m. on the South Lawn of the White House. President López Portillo spoke in Spanish, and his remarks were translated by an interpreter.

Department of Defense

Nomination of Thomas B. Ross To Be an Assistant Secretary. February 14, 1977

The President today announced his intention to nominate Thomas B. Ross to be an Assistant Secretary of Defense (Public Affairs). Ross was previously Washington bureau chief for the Chicago Sun-Times.

He was born in New York City on September 2, 1929. He attended public elementary school and Fordham Preparatory School in New York. He received a B.A. degree in English from Yale University in 1951.

During and after the Korean war—from 1951 to 1954—Ross served as a naval officer, first on the U.S.S. *Monterey*, a training carrier in Pensacola, Fla., and then on the U.S.S. *Hornet*, an attack carrier in the Pacific.

He began his newspaper career in 1955 with the International News Service as its State capitol reporter in Atlanta, Ga. In 1956 he ran the INS bureau in Hartford, Conn., and in 1957 joined the Washington bureau, where he was assigned to the Pentagon.

When INS merged with the United Press in 1958, Ross worked briefly for UPI, moving to the Chicago Sun-Times

later that year. From 1958 to 1968, he was the newspaper's national security correspondent, covering the Pentagon, the State Department, and related agencies.

Between 1968 and 1970, Ross was a foreign correspondent for the Sun-Times, based first in Beirut and then in Paris. He returned to the United States in 1970 to become Washington bureau chief.

While with the Sun-Times, Ross covered most of the foreign trips of Presidents Eisenhower, Kennedy, Johnson, Nixon, and Ford, and of several Secretaries of State and Defense.

He was a Nieman Fellow at Harvard University in 1963–64. He is the coauthor of three books: "The U-2 Affair" (1962), "The Invisible Government" (1964), and "The Espionage Establishment" (1967).

Ross married the former Gunilla Ekstrand in 1963. They have three daughters.

Visit of President López Portillo of Mexico

Toasts of the President and President López Portillo at a Dinner Honoring the Mexican President. February 14, 1977

PRESIDENT CARTER. A hundred years after the University of Mexico was founded, the pilgrims landed on Plymouth Rock, and it was just shortly after the university was begun that the first Spanish settlers came to Georgia and to Florida and to several other States in the deep South.

Because the history books were written by historians from England, we don't remember the historical background of the early Spanish-speaking settlers who meant so much to our countries.

We declared our independence in 1776, about 200 years ago, and shortly after that, in 1810 the Mexican people declared

their independence as well. So, we share a great, common history with our friends and neighbors and visitors from Mexico, and we also share a tremendous commitment to the early vision of those who sought equality and who sought freedom, who believed in individuality and the rights of common people to make their own decisions.

So, our sharing of history and our sharing of a common purpose has always bound us together. The Mexican people know what Yankee imperialism means, and being from Georgia—[laughter]—I have also heard the same phrase used. But we also share the realization that that is a time of ancient history and the equality of opportunity within our own Nation in recent decades is the same sort of spirit that exists among all the nations in our own hemisphere.

This is a good change, and now with a common border we see renewed opportunities to bind ourselves ever closer together to face the future with confidence, with hope, with the feeling of friendship, and with the feeling of common purpose.

This is the first state visit that Rosalynn and I have enjoyed having in your White House and ours, and it was not any accident that those that we wanted to come first of all were our close friends from Mexico.

About 12 years ago, I believe, our family took the best vacation of our lives. When my oldest son, Jack, finished high school, he and my other two sons, my wife, and I traveled for 3 weeks through Mexico. We all could speak a little Spanish.

We went to the small towns and villages where not many people could speak English. We had a hard time communicating in language, but there was an instant sense of appreciation for our being there

and for the interest that we showed in those who took us into their hearts and into their homes. We've always looked back on that experience with great appreciation and fondness and pleasure.

And I believe that the future holds an even closer opportunity for mutual enjoyment and to get to know one another and to share a common destiny.

There has been a saying of one of President López Portillo's predecessors, "*Pobre Mexico. Tan lejos de Dios, tan cerca de los Estados Unidos*," which means in English, "Poor Mexico. So distant from God, so close to the United States." But I know that under President López Portillo's administration the distance from God has become much less, and the proximity to the United States, I hope, will become a blessing and not a curse. So, we believe that we are very fortunate to have with us tonight Carmen and José.

I'd like to repeat, to show what kind of person he is, something he told me at supper tonight. He is a very talented artist, and when his daughter was 3 years old she was the one that he was so much in love with that he wanted to paint a special painting. He had just outlined her little face and he had to go to work. She had never been outside at night and he left her there with her grandmother, and she went out on the terrace and she looked up, and for the first time she saw the evening star Venus. And she said, "Grandmother, what is that?" and her grandmother said, "That is a star." She said, "Give it to me," and her grandmother said, "I can't give you a star, little girl," and his daughter said, "When my father returns, he will give it to me."

So, when President López Portillo came home and he was told about this story and recognized the faith that his daughter had in his ability, he drew in the painting her

little hand and darkness all around the back of her head and a star in the palm of her hand. Well, I think this illustrates very well what he means to the people of his country. The people have put their faith in him and they are beginning to realize the fruits of his tremendous intelligence, his talent, his ability, his sensitivity to their needs. And I think in the future the people of his great nation will know as his daughter did, that he is capable of delivering to them the things that they cherish so deeply.

I would like to propose a toast to President López Portillo and his wife, and to the people of the great nation of Mexico.

PRESIDENT LÓPEZ PORTILLO. President Carter has just referred to ancient history, and he has drawn this picture with very generous lines.

I would now like to refer to the history that is being made and written at this particular point in time. I would like to ask all of you to reflect on what is happening here and now in order to measure the enormous responsibility that lies on the shoulders of this great Nation.

Today, President Carter has done a great honor to my country by inviting me to visit the United States on a state visit, the first statesman to come to the United States during the administration of President Carter.

Responsibility has to be faced in two ways: by facing the problems that this Nation has, which is not only geographically a neighbor but also a neighbor that is undergoing a process of development, and we have studied the characteristics of this problem in depth. On the other hand, and a few minutes back one of his very distinguished Secretaries, the Secretary of State, Mr. Vance, has had to leave for the Middle East in order to participate in ne-

gotations that are to bring about order and peace in the world.

In these few hours in this very place, contemporary history is being made, the history of American responsibility, the great responsibility that was brought about by power which is being written here at the White House that now houses an exemplary family full of unity and love, understanding, in which a lovely and intelligent child, Amy, has been reading "The Mystery of the Screaming Clock" right here at the table.

We have had the privilege of being able to spend some time with this lovely family in spite of the distance, the geographic distance, in spite of the differences in language, the differences in culture. And in spite of these differences; I feel that they are very close to me and very dear, and I think that I am speaking also for my wife.

As a human experience it is a privilege to be present in moments when the distance in responsibility is no longer. On the one hand, in spite of being at such a high level and having such a high position as this family does, they are able to give their love, affection, and warmth to the small child.

They facilitate communication among the members of the family in spite of protocol. And this family that is observing of their child while waiting for an increase in the grandchildren in 2 weeks time, and at the same time is praising all the loveliness of the small child, begins within that broad spectrum to have in its hands the participation of the United States in making the future for humanity.

For a Mexican it is very comforting, a Mexican that to a certain extent in some way is representing Latin America, who in a certain sense represents the developing world—it is very comforting, I repeat—to know that he who has the greatest

responsibility in this country is not only a statesman but a man of solid moral principles who is brave enough to state that God and the United States must come close to Mexico, a man that loves his wife, a man that believes in the institution of the family.

It is my conviction that with a man of this nature, the role of the United States in the history of humanity will be outstanding and exemplary. That is why for me it is a great honor to raise my glass and propose a toast to the health of the Carter family, and so that wisdom will always be a guiding light for the President of the United States, Mr. Carter.

I thank you.

NOTE: President Carter spoke at 9:22 p.m. in the State Dining Room at the White House. President López Portillo spoke in Spanish, and his remarks were translated by an interpreter.

Zero-Base Budgeting for the Fiscal Year 1979 Budget

Memorandum for the Heads of Executive Departments and Agencies.
February 14, 1977

Memorandum for the Heads of Executive Departments and Agencies

During the campaign, I pledged that immediately after the inauguration I would issue an order establishing zero-base budgeting throughout the Federal Government. This pledge was made because of the success of the zero-base budget system adopted by the State of Georgia under my direction as Governor.

A zero-base budgeting system permits a detailed analysis and justification of budget requests by an evaluation of the importance of each operation performed.

An effective zero-base budgeting system will benefit the Federal Government in several ways. It will

- Focus the budget process on a comprehensive analysis of objectives and needs.
- Combine planning and budgeting into a single process.
- Cause managers to evaluate in detail the cost-effectiveness of their operations.
- Expand management participation in planning and budgeting at all levels of the Federal Government.

The Director of the Office of Management and Budget will review the Federal budget process for the preparation, analysis, and justification of budget estimates and will revise those procedures to incorporate the appropriate techniques of the zero-base budgeting system. He will develop a plan for applying the zero-base budgeting concept to preparation, analysis, and justifications of the budget estimates of each department and agency of the Executive Branch.

I ask each of you to develop a zero-base system within your agency in accordance with instructions to be issued by the Office of Management and Budget. The Fiscal Year 1979 budget will be prepared using this system.

By working together under a zero-base budgeting system, we can reduce costs and make the Federal Government more efficient and effective.

JIMMY CARTER

NOTE: The text of the memorandum was released on February 15.

On the same day, the White House announced that work had already begun, at the President's direction, to implement zero-base budgeting in the White House, and that substantial budget reductions are anticipated. Richard M. Harden, Special Assistant to the President for Budget and Organization, is coordinating White House implementation.

National Employ the Older Worker Week, 1977

Proclamation 4487. February 14, 1977

*By the President of the United States
of America*

A Proclamation

Our prosperity as a nation rests on our productivity as workers. Our happiness as individuals begins with our ability to find useful, rewarding jobs.

That is why I feel it so important that jobs be available for all our people able to perform them—people in every region, of every religion and color, and of every age. Time and again in our history we have benefitted from the skill and dedication of our older workers. But too often prejudices and stereotypes—not limitations of ability—have kept older Americans from fulfilling their full potential at work.

The law now recognizes our special responsibility to assure older workers an equal chance for jobs and promotions. Many private groups and organizations are now working to improve prospects for older workers. These efforts deserve our vigorous support.

To encourage and support educational efforts designed to make employers more aware of the advantages of hiring older workers, the Congress, by joint resolution approved April 21, 1976 (90 Stat. 396), has requested the President to issue a proclamation designating the week beginning March 13, 1977, as National Employ the Older Worker Week.

NOW, THEREFORE, I, JIMMY CARTER, President of the United States of America, do hereby designate the week beginning March 13, 1977, as National Employ the Older Worker Week. I call upon State

and local officials, as well as labor, business, veterans, farm, religious, scientific, professional and other groups, to join with older workers in making the American people aware of the value of employing older men and women. I urge all Americans to observe this week with appropriate ceremonies, activities and programs designed to promote employment opportunities for older workers.

IN WITNESS WHEREOF, I have hereunto set my hand this 14th day of February, in the year of our Lord nineteen hundred seventy-seven, and of the Independence of the United States of America the two hundred and first.

JIMMY CARTER

[Filed with the Office of the Federal Register, 3:07 p.m., February 15, 1977]

NOTE: The text of the proclamation was released on February 15.

Department of Justice

*Nomination of Five Persons.
February 15, 1977*

The President today announced that he will nominate five persons to positions in the Justice Department. They are:

WADE H. MCCREE, JR., of Detroit, Mich., to be Solicitor General;

BARBARA BABCOCK, of Palo Alto, Calif., to be an Assistant Attorney General for the Civil Division;

BENJAMIN R. CIVILETTI, of Baltimore, Md., to be an Assistant Attorney General for the Criminal Division;

DREW S. DAYS III, of New York, N.Y., to be an Assistant Attorney General for the Civil Rights Division; and

PATRICIA M. WALD, of Chevy Chase, Md., to be an Assistant Attorney General for Legislative Affairs.

Wade McCree is currently U.S. Circuit Judge for the 6th Circuit Court of

Appeals. He was born July 3, 1920, and is a graduate of Fisk University and Harvard Law School. He practiced law in Detroit from 1948 to 1952 and from 1952 to 1954, served as Workmen's Compensation Commissioner for Michigan. He was a Judge of the 3rd Judicial Circuit of Michigan from 1954 to 1961. From 1961 to 1966, McCree was U.S. District Judge for the Eastern District of Michigan, and in 1966, he became U.S. Circuit Judge for the 6th Circuit Court of Appeals.

Barbara Babcock is presently an associate professor at Stanford Law School. She was born July 6, 1938, and is a graduate of the University of Pennsylvania and Yale Law School. In 1963 she served as a law clerk to Judge Edgerton of the U.S. Court of Appeals. From 1964 to 1966, she was an attorney in the law firm of Edward Bennett Williams and from 1966 to 1968, she was a staff attorney for the District of Columbia Legal Aid Agency. Babcock was director of the District of Columbia Public Defender Service from 1968 until 1972, when she joined the faculty at Stanford Law School.

Ben Civiletti is an attorney in the firm of Venable, Baetjer & Howard. He was born July 17, 1935, and holds an A.B. degree from Johns Hopkins and an LL.B. from University of Maryland. He was admitted to the Maryland Bar in 1961, and served as a law clerk to Judge Chestnut, U.S. District for Maryland. From 1962 to 1964, Civiletti served as an assistant U.S. attorney, and in 1964 he joined Venable, Baetjer & Howard.

Drew Days III is an attorney with the NAACP Legal Defense and Educational Fund. He was born August 29, 1941, and is a graduate of Hamilton College and Yale Law School. In 1966 and 1967, he was a member of the Chicago firm of Cotton, Watt, Jones, King and Bowlus.

From 1967 to 1969, he served in the Peace Corps. Days became an attorney for the NAACP Legal Defense and Educational Fund in 1969. In 1973 he became a law professor at Temple Law School, and in 1975 he returned to the NAACP.

Patricia Wald is director of litigation for the Mental Health Law Project. She was born September 16, 1928, and is a graduate of Connecticut College and Yale Law School. From 1965 to 1966, she was a member of the President's Commission on Crime in the District of Columbia. She was a staff attorney for Neighborhood Legal Services from 1968 to 1970, and codirector of the Ford Foundation Drug Abuse Project in 1970 and 1971. In 1971 Wald served as an attorney for the Center for Law and Social Policy. In 1972 she was an attorney for the Committee for Legal Rights of the Mentally Impaired. In 1973 she became director of litigation for the Mental Health Law Project.

United States-Mexico Treaty on Execution of Penal Sentences

Message to the Senate Transmitting the Treaty. February 15, 1977

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the Treaty between the United States of America and the United Mexican States on the Execution of Penal Sentences which was signed in Mexico City on November 25, 1976.

I transmit also, for the information of the Senate, the report by the Department of State with respect to the Treaty.

The Treaty would permit citizens of either nation who had been convicted in

the courts of the other country to serve their sentences in their home country; in each case the consent of the offender as well as the approval of the authorities of the two governments would be required.

This Treaty is significant because it represents an attempt to resolve a situation which has inflicted substantial hardships on a number of citizens of each country and has caused considerable concern to both governments. It received the approval of the Senate of the United Mexican States on December 30, 1976. I recommend that the Senate give favorable consideration to this Treaty at an early date.

JIMMY CARTER

The White House,
February 15, 1977.

Office of Management and Budget

*Nomination of James T. McIntyre, Jr.,
To Be Deputy Director. February 16, 1977*

The President today announced that he will nominate James T. McIntyre, Jr., to be Deputy Director of the Office of Management and Budget. McIntyre is presently Director of the Georgia Office of Planning and Budget.

McIntyre was born in Vidalia, Ga., on December 17, 1940. He received his A.B. from the University of Georgia and his J.D. from the University of Georgia School of Law in 1963. He is a member of the State bar of Georgia.

In 1964 McIntyre was employed by the University of Georgia's Institute of Government and practiced law in Athens, Ga. He served as general counsel to the Georgia Municipal Association from July 1966 to April 1970. In that capacity, he represented GMA on various boards and commissions and assisted in implement-

ing the legislative programs affecting local governments.

In April 1970, McIntyre was appointed Deputy State Revenue Commissioner. He was appointed Director of the Office of Planning and Budget in October 1972 by then Governor Jimmy Carter, and reappointed to that position by Governor George Busbee in January 1975.

As director of OPB, McIntyre's responsibilities have included managing the State's budget and directing State efforts in planning, intergovernmental relations, management improvement, energy conservation, arts promotion, regional commissions, and Coastal Zone management.

McIntyre served as legal counsel to then Governor Carter's Reorganization and Management Improvement Study in 1971 and as project director of the State and Local Government Coordination Study in 1972.

McIntyre is married to the former Maureen Ball. They have three daughters and live in Alpharetta, Ga.

Save Your Vision Week, 1977

Proclamation 4488. February 16, 1977

*By the President of the United States
of America*

A Proclamation

Over the past half-century, we have made remarkable progress in the prevention, diagnosis, and treatment of eye problems. Methods are available today that can restore vision or sharply reduce the risk of blindness that were unknown not long ago. Research conducted and supported by the National Eye Institute and many private organizations offers very real hope for finding ways to treat eye problems that are now beyond the reach of prevention or cure.

Despite our advances, millions of Americans fail to take advantage of the sophisticated vision care services available to them. Many older Americans accept poor vision as part of growing old. Millions of middle-aged Americans regard admitting a need for vision care as admitting to a loss of youth. Young people often foolishly believe their good vision will remain without care. Children are sometimes assumed to have no vision problems because they can read an eye chart when in fact they may be unable to see the printed page.

To remind all Americans of the importance of good vision and of ways to protect it, the Congress, by joint resolution approved December 30, 1963 (77 Stat. 629, 36 U.S.C. 169a), has requested the President to proclaim the first week in March of each year as Save Your Vision Week.

NOW, THEREFORE, I, JIMMY CARTER, President of the United States of America, do hereby designate the week beginning March 6, 1977 as Save Your Vision Week. I urge all Americans to mark this observance by learning how to take care of their eyes and availing themselves of professional eye care services. I call upon the vision care professions, the communications media, educators, and all public and private organizations which support sight conservation and vision research to join in activities to improve and protect the vision of all Americans.

IN WITNESS WHEREOF, I have hereunto set my hand this sixteenth day of February, in the year of our Lord nineteen hundred seventy-seven, and of the Independence of the United States of America the two hundred and first.

JIMMY CARTER

[Filed with the Office of the Federal Register, 2:55 p.m., February 16, 1977]

Department of Health, Education, and Welfare

*Remarks and a Question-and-Answer
Session With Department Employees.
February 16, 1977*

SECRETARY CALIFANO. It's a great privilege for me to stand here today.

A President's mind must deal with many, many problems—nuclear disarmament, economic problems. And this President's mind does—brilliantly.

But this President's heart, his heart from the moment I met with him in New Hampshire, in August, until our meetings yesterday—I know one thing: His heart will always be at HEW, with what you're doing and trying to do.

THE PRESIDENT. Thank you very much.

It's a great pleasure and honor for me to be over here with you, because you and your predecessors have helped to a great degree to shape my own life.

I've had a chance, the last 2 years, to travel around our Nation, perhaps more than any other person in history in a 2-year period, to talk some, but to listen a lot. And I've seen the tremendous impact that can be derived from this Department on our people's lives, because of your own professional competence, your experience, your intelligence and, above all, your compassion and your love for other people. To me, the success or failure of my own administration depends upon you and others who work in the health and education and welfare and other related fields.

ADMINISTRATION POLICIES

The human relationship with God, with our fellow human beings, and with our institutions, is the basis on which a democracy is founded. We believe in individuality and, as one of my favorite

philosophers said—Kierkegaard—“Every person is an individual. Every person is different, with different yearnings, and disappointments, hopes and dreams and aspirations, fears, prejudices, and needs. And if we treat people as statistics or as homogeneous bodies, even though we know they’re in need, then we will have failed.” But to the extent that we can let Government have a heart and a helping hand, that sense will be derived from your own Department here.

We’ve got a lot of changes that can be made. At the same time, we’ve got a lot of good things we need to preserve. And that careful balancing between an aggressive, constant striving for better Government ought not ever to stand in our way. If things that you observe can be made better, let’s don’t hesitate to make the changes.

I think the country is ready for a better, more comprehensive approach under the generic name of welfare. Welfare, to me, is not charity. Welfare, to me, is an interest in individual human beings, to let them stand on their own feet to the extent they are able to meet their own needs, to be proud, to have self-respect, and to feel that the services that we deliver to them are not handed down from a position of authority or superiority to an inferior, but handed as though we were the servants dealing with people who have let it be possible for us to serve.

I would like to make sure that we eliminate as much as possible, the artificial divisions within government in dealing with a single human being. In Georgia, I tried to have a one-door policy, so that if a family had a need, they wouldn’t have to search among all the various little, tiny, individualistic bureaucracies that existed in Georgia government, but would have one contact

to government who cared about the family.

And the reason I met Joe Califano for the first time in my life, for an extended visit last August, was to ask him to help me understand how every aspect of government impacted either beneficially or adversely on the American family structure. That has got to be the basis of government. And to the extent that we can strengthen that interrelationship among people who naturally, through blood relationships, or otherwise, care for one another, it will make our own jobs more effective. It will also cut down on the burden that’s placed on government.

I believe in Joe Califano. Those among you, and I would think it would be almost unanimous, who saw the tremendous—[applause]—who saw the tremendous thrust of Lyndon Johnson’s administration, know that most of those programs designed to help the poor and the inarticulate and the timid and the black and the foreign language-speaking American, came from the mind and heart of Joe Califano.

I was particularly eager for him to head this Department as we face a new day. We’re going to move aggressively on many programs that are dear to your own hearts—the comprehensive welfare reform, dealing with other related departments not in a separated fashion, but a cohesive fashion, trying to reduce the bureaucratic obstacles to the personal relationship with people who need our help. We’re going to move very aggressively to cut down the abuses in Medicaid, Medicare; add some structure and some permanence to the resolution of the problems that face the financing of social security.

But all these complicated questions cannot be resolved by me as a President, by Joe Califano as a Cabinet member—they have to be resolved by you.

And as we seek authority to reorganize our government structure, that authority would never make your own professions less viable. No one will be discharged as a result of reorganization. No one will lose your seniority or pay status. And the ideas that eventually will be consummated by final decisions made by me and the Congress will originate among you.

Presidents, as you know, come and go. Cabinet Secretaries come and go. But the professional, competent civil servants are the ones who provide the stability, the integrity, the usefulness, and the accomplishments to government. And I want every change that's made to be designed to let your own professional careers be more effective, and to let the one life that you and I have to live on Earth be expended in a maximum, beneficial way toward others.

I hope that you won't be reticent and that you will join with me and Joe Califano and many others to make these changes in a careful, methodical, but aggressive fashion to let our own service be more beneficial.

A couple of other points very quickly, and then I'll answer a few questions.

We have, I think, a good attitude among the people of our country toward our own administration. I'm going to put into effect for the 1979 fiscal year budget preparation a new concept called zero-base budgeting. I've used it for 4 years in Georgia. It works. It does two things, among others. One is it assesses for the limited amount of money we have to spend, all programs on the basis of priority, whether they've been in effect 5 years or 20 years or 50 years, or whether they'll go into effect for the first time next year. Nothing that's been established in the past will any longer be sacred or hidden when the budget for next fiscal year is evolved.

And we can be sure to the maximum extent that human beings can perform, that when we spend the limited human and financial resources of our Nation in fiscal year '79, that they'll be spent in the most effective way.

The second thing that zero-base budgeting does for you is to let you be part of the evolutionary process. The decisions will no longer be made in OMB and the White House or in the Secretary's office here. The decisions will be made by you and with a one-page, one-side-of-one-sheet-of-paper analysis of what your own functions are, the number of people involved, the amount of money to be spent. We'll ask you how can you do your job better; what ought to be expanded; what ought to be phased out; what ought to be maintained as it is. I think this will go a long way to making sure that we do have an effective government.

One final point. I have a great respect for you and for the work that this Department has done. I've issued a directive today that might be somewhat controversial. And last week, you know, I asked that the people who prepare regulations read them and sign them so that we know who's responsible. I've asked Secretary Califano to read all the regulations that you write, personally. It might take the whole weekend—[laughter]—I don't object to that. But I think at least for a few weeks, the Cabinet officers themselves ought to be aware of the simplicity of regulations, the brevity of regulations, the elimination of unnecessary regulations, so that the people that have to carry them out can perform better.

And I've also asked all the members of the Cabinet with a letter today—that they haven't received yet—to cut down on the number of reports required to come in to the Federal Government.

I think that HEW has approximately 800 different repetitive reports required

from American people. And I would like for all of you to join with Secretary Califano in deciding which ones of those reports are still needed, which ones can be simplified, which ones can be combined with other departmental reports, and give me that analysis by the end of March. And I hope that you will be very aggressive in doing this.

I think that if we can get rid of the unnecessary paper work and division and compartmentalization of your lives, we can all let the people have more confidence in us and make sure that our public service is more effective for them.

Perhaps now you'd like to ask me a few questions. I'll try to be brief with my answers.

QUESTIONS

HANDICAPPED PERSONS

Q. Do your efforts, obviously to reach the people, include a personal commitment for the Federal Government to remove architectural and transportation barriers?

THE PRESIDENT. The question was about removing architectural or transportation barriers. I presume you mean to handicapped people.

Yes. We did this in Georgia. As you know, it's a very difficult thing and an extremely expensive thing to try to undo the existing structural characteristics of buildings. But I think that within the bounds of common sense and, certainly, with tight constraints on future designs, we could make major steps forward, far exceeding what has been done in the past.

We did this in our own State of Georgia. We were recognized as, I think, the outstanding State in this respect.

And the answer is yes, but within the bounds of common sense. I can't go down and tear out all the elevator shafts and all of the structural arrangements that exist in public buildings all over the Nation. I

don't think you'd want me to do that. But within those bounds, we will.

Q. We could start making them now if we design for the future.

THE PRESIDENT. Absolutely.

CIVIL SERVICE

Q. The role of the Federal worker, I would think, would be very important in carrying out the program. One thing that keeps depressing us is a continuing policy of downgrades and RIF's [reductions in force]. Is this going to be stopped? [*Laughter*]

THE PRESIDENT. I see. I'm not familiar with the question but I presume—and you correct me if I am wrong—Joe points out to me there is an analysis going on now, within the Civil Service administration, of increasing proportions of civil servants who occupy the higher grade levels, kind of grade creep. Is that what you're talking about?

Q. Yes.

THE PRESIDENT. Well, I can't give you the answer. I would guess, though, that there would be a constant reassessment of the percentage of people who occupy the different pay-grade levels. And if there has been an abuse in the past, it will be corrected in the future. I can't promise you that nobody will be changed in their temporary status down to a lower status as we make these adjustments.

The reason I feel very easy about saying that nobody will be fired or reduced in grade level or pay status because of reorganization is that I intend to do it through normal attrition. And I don't know if you realize it or not, but on an average in our Government, we have about a 10-percent attrition rate per year. In other words, at the end of every year, we've had at least 10 percent of our people who have resigned or retired or who have been transferred because of their own initiative. And how to make flexible the assignment of

personnel within that 10 percent is very easy. Over a 4-year period of time, it is compounded, of course; that's 40 percent of the people who change their status on their own initiative.

So, I would hope that we could accommodate the problems with past abuses of grade creep and also accommodate the changes that you advocate and that I agree on, on reorganization within the constraints of normal attrition, so that I don't disturb your lives and your status as a Government employee.

CONSUMER PROTECTION AGENCY

Q. Mr. President, when do you intend to appoint a Special Assistant to the President for Consumer Affairs? And, coupled with that question, when do you intend to submit legislation to the Hill to establish an independent consumer agency?

THE PRESIDENT. The legislation to establish an independent consumer protection agency is already there. I favor it strongly and will use all my influence as President to get the agency established.

As far as appointing a Special Assistant for Consumer Affairs, if I do that, it would be on a temporary basis and would exist within the White House only until we could get the consumer protection agency established by law.

NATIONAL HEALTH INSURANCE

Q. Mr. President, do you have a timetable for and a phased approach—or do you advocate a phased approach to national health insurance?

THE PRESIDENT. The question is do I have a timetable for, and do I favor a phased approach for national health insurance. The answer is yes, I have a timetable and a phased approach.

I made a speech on this subject to the black medical students convention last March. And I would like to ask Secretary Califano to get a copy of the speech and

make it available to you and to others who have an interest in it.

We do need to move on national health care in a phased basis. I would say the first thing we need to do—and Joe and I have already talked about this extensively—is to assess what we presently spend on health care. There are some abuses in Medicaid and Medicare. I think there is a rapidly increasing cost for both hospital and physicians' care that's unwarranted.

We need to have an additional emphasis on prevention of disease. We talked yesterday at length, Secretary Califano and I did, about child disease immunizations and the searching out of young children who need outpatient care as a first step. And what I'd like to do is, before the end of this year, to have clear in my mind and, hopefully, clear in yours, a year-by-year progression toward a complete comprehensive health care system.

I think that the cost of it has got to be very carefully assessed. We'll have to have some tradeoffs about what ought to be put into it and not. But I want everybody, by the end of this year, to understand the major steps and the time schedule and the best estimates of costs of a move toward comprehensive health care.

DISTRICT OF COLUMBIA HOME RULE

Q. How do you feel about complete home rule for the District of Columbia and what do you intend to do about the \$10 million request that was cut by President Ford?

THE PRESIDENT. The question is what I feel about complete home rule for the District of Columbia and what do I feel about the \$10 million request that was cut by President Ford.

I'm not familiar with the \$10 million request. It hasn't got to me. I presume it's in the hands of the Office of Management and Budget now. So I can't answer your question about that.

I've never taken a position on the complete home rule, at least as far as the District of Columbia becoming a State. During the campaign, I did say that I thought the interference of the Federal Government, including the President, in the internal affairs of the District of Columbia's government ought to be minimal.

There are some responsibilities that I have, established by law, that I would have no objection to removing. I have no inclination, as President, to be burdened with making decisions about, say, the hospital care in the District of Columbia. And also, I would like to see the voting rights of the District of Columbia in the Congress increased. Whether to go as far as statehood for the District of Columbia, I doubt the advisability of that.

FEDERAL REORGANIZATION

Q. This upcoming reorganization that's coming—what do you see for various training programs like the management intern program—[inaudible]? Where will these be fit in in the new reorganization, and what will these programs be?

THE PRESIDENT. The question is, where would the training programs and others fit into the departmental structure after reorganization?

I don't know how to answer those questions. We are now working on three major reorganization questions. One is to get the authority from the Congress to reorganize; secondly, to establish a new Department of Energy. And we are also working on the first proposal, if we get the reorganization authority, and that would start with the Executive Office of the President. This is such a vast bureaucracy that is built up around the White House itself, and because I have authority over it already, we are already beginning that.

But we have not gone into any detailed analysis of intradepartmental structure, within the departments, and we've not

gone into any major study yet about moving agencies among departments, except in the field of energy.

Now, I have had the Secretary of Interior and Dr. Schlesinger, representing the energy question, work together. I believe they pretty well resolved all the differences between them. And we will go to the Congress before the end of this month, by the first of March, with a separate piece of legislation on energy, on an energy department.

But I can't answer questions about the internal structure of departments. We just haven't worked on that yet.

EQUAL EMPLOYMENT OPPORTUNITY

Q. Mr. President, as a person who was born in Savannah—[laughter]—I feel deeply about your great commitment to people and to civil rights and equal employment opportunity. I think this group and I would be greatly privileged to hear you make a statement in terms of the commitment of the Federal Government to enforce equal employment opportunity, civil rights, so that all people will have an opportunity to walk with God.

THE PRESIDENT. I'll try to answer that question.

I believe we now have seven different agencies responsible for equal employment opportunity in the Federal Government. There is a backlog of more than 125,000 cases. The average time for the resolution of a case is about 3 years.

And I intend to make this one of my major and early responsibilities when I get reorganization authority, to bring some order out of this chaos to be sure that we eliminate, once and for all, discrimination against any human being because of their sex or because of their race or religious commitments.

Secondly, I'm committed, because of political promises and also because of deep personal feelings, to complete

equality of opportunity in our Nation, to the elimination of discrimination in our schools, and to the rigid enforcement of all Federal laws. There will never be any attempt made while I'm President to weaken the basic provisions or the detailed provisions of the great civil rights acts that have been passed in years gone by.

So, my commitment to you is total. I think there has been some beginnings of a move in the right direction. I don't know the latest statistics because they are improving every day. But the last time I had a press conference, I got a report from my staff. In the top administrative positions—Assistant Secretaries, Deputy Secretaries, Under Secretaries, and Secretaries—in the major departments headed by Cabinet members, under the Ford administration, which was, I think, a fairly good one on this subject, we had, I think, nine of those key positions filled by women. Now we have 29. And the number is growing every day. And we had double the number of blacks; we had triple the number of Spanish-speaking Americans. This is just a start.

Over a period of my own administration, I want to be sure that our commitment to equal employment opportunity is profound and that it covers every level of government and that I assume, on a continuing basis, that leadership role from the White House.

Q. What about the Indians? For 15 years, they were the only race completely denied all social security benefits in New Mexico and Arizona—[inaudible].

THE PRESIDENT. Thank you, ma'am. She said make sure I don't forget the Indians, and I certainly won't.

DAY CARE CENTERS

Q. Does your administration favor the Federal funding of day care centers for Federal employees?

THE PRESIDENT. Well, the question is, does my administration favor the Federal funding of day care centers for Federal employees?

I think that I would have to answer no. I don't see why we should single out Federal employees as the only group in the Nation who would uniquely be provided with day care services. I think Federal employees ought to be treated the same as other employees in private life.

CIVIL SERVICE

Q. Can I follow up on the downgrading question—[inaudible]—the Republican administration on civil servants.

The Department itself says that 35 percent of Department employees will be downgraded. That percentage is even higher right now. It was the last attempt. It is now going on.

Ex-Secretary Mathews, before he left, realized the tremendous burdens that is caused on the bureaucracy and the ability for him to carry out his program. He has sent a letter to the Civil Service Commission recommending legislation which would protect all incumbents in their position. When they left, then the position would accede to the position that it was reclassified as.

Could you support legislation like that?

THE PRESIDENT. If you don't mind, for a moment, let me ask Secretary Califano for his assessment of that question.

SECRETARY CALIFANO. Let me say that I, Mr. President, am looking at this, and I will look at what Secretary Mathews did and what he recommended and will consult with the Civil Service Commission, especially when you have put your own people in the Civil Service Commission.

THE PRESIDENT. Let me add just a little more to that. My own inclination is to handle it, as you have described, through normal attrition or through a delayed fu-

ture promotion. I really hate to see people who have been promoted or placed in a position in good faith, demoted or moved, with damage to their lives and to their career and to their families.

So, within the constraints that Secretary Califano has said, that I don't have complete authority over it, we will try to accommodate this correction of what's called grade creep through attrition and through some freezing of promotions until the ratios are corrected.

Did I answer your question?

Q. Yes, sir.

THE PRESIDENT. The gentleman with the cane.

HANDICAPPED PERSONS

Q. Mr. President, could you outline what plans you have to include more disabled Americans in the top level decision-making process, especially within HEW, focusing, say, on the areas of civil rights for the handicapped and affirmative action for the handicapped?

THE PRESIDENT. Secretary Califano and I have been discussing this. I wanted to get the latest status. He has offered to a blind person a very high position in the Department. He's still waiting to get a response from that offer. And he's just told me that if the particular person who has been offered the job refuses, then a handicapped person will fill that major vacancy.

I think, obviously, it ought not to be confined to just one position. But I think he's talking about a very high position.

Yes? Did somebody over here on the right call me? [*Laughter*]

Go ahead, I'll listen.

FEDERAL INFORMATION CENTERS

Q. Mr. President, I would just like to ask you whether or not you're aware that sometimes the Federal employee gets the

blame because some of our legislative people come directly to the Federal Government and ask questions that they know as well as we that they need to go to their State agencies about—the problem being they don't want to say no on their own stationery, so they allow us to do it.

THE PRESIDENT. Yes, I do realize that. [*Laughter*]

One of the things that I hope to put into effect is a much more beneficial use of what's now called the Federal Information Centers. This is under the GSA now, I believe.

When I was Governor of Georgia, we put in a system called tie-line. We got a grant from HEW to do it. [*Laughter*] It worked out very fine. I think we only got \$120,000, but we added a lot of local and State money to it. And what we put into effect, that we're trying now to emulate for the Federal Government, is one telephone number that can be used by anybody in—I'll just refer to Georgia for a while—to Georgia, and they can call this number collect—it's a WATS number. We had, I think, 25 or 30 very competent people there to answer the phone.

And if they had a complaint or criticism or just a question or suggestion, while they held onto the phone, we would tie them in to either the State agency or to the Member of Congress or to the Federal agency involved with their question. And they didn't have to make two telephone calls. They didn't have to remember but one telephone number.

We now have 40 of those Federal Information Centers around the Nation that are not being used with any degree of effectiveness at this point, compared to what they could be. And I hope to have a similar circumstance, problem corrected at the Federal level. We are doing a study of that now.

Bert Lance's department, OMB, and also a young man on my staff, Greg Schneiders, is making a study of these Information Centers. Many questions can be answered without coming to you for a negative response.

I know that there are some things that can be done by me, as President, to acquaint people with the limitations of government. One of the things that constantly impresses itself on my consciousness is the need to tell the American people the truth.

There are some things the Government can do. There are some things the Government cannot do. And we're experimenting in the early stages of my own administration. I've had one fireside chat. I'm going to have press conferences at least twice every month. On the 5th of March, I believe, I'm going to spend 2 hours in the Oval Office with Walter Cronkite, answering call-in questions from around the Nation. And we will probably experiment with a few other things until we decide what's the best way to let the American people know what Government can do.

But it's not fair to put on your Department the responsibility of telling people no, repeatedly, because there is an unwarranted build-up of expectation among people about services that just can't be delivered. So, if you could let me have your suggestions about how this can be corrected, through Secretary Califano or directly, I would appreciate it.

But I want to level with the American people, tell them the truth, tell them what we can do, tell them what we can't do, in a continual effort to let them be part of government.

Maybe one more question.

EDUCATION LEGISLATION

Q. There seems to be a trend right now to be responsive across the whole Nation. Would you be in support of new legislation or present legislation that is now in support of a culturally responsive education process?

THE PRESIDENT. I'm not sure if I know what you mean by culturally responsible. [Laughter]

Q. When you make references to minorities, I don't like the term "minority." I would prefer the term "ethnic."

THE PRESIDENT. I understand. What I said earlier about Kierkegaard's statement that every man is an exception, every woman is an exception, is obviously applicable to your question. It's a serious mistake to treat minority groups as a homogeneous body. Their ethnic characteristics ought to be preserved. They ought to be a source of pride. And I think this is one of the things that makes our Nation a great one.

As I said many times during the campaign—and I think it's a vivid indication of what I mean—the United States derives its strength from the diversity of the people who live here. And nobody could stand on this stage and look at this audience without being impressed with that fact.

But we're not a melting pot. A melting pot is a place where you put a lot of different ingredients and eventually they blend in together and become all the same. I look on our country as more of a beautiful mosaic, with different kinds of people involved in freedom, individuality, pride, cooperation, understanding, searching for answers to difficult questions in their own way, each contributing, hopefully, the strongest single characteristic of their background and heritage and special sensitivity to a common purpose.

I think the preservation of the delineation among our people on an ethnic basis is very, very precious. And I'm going to try to preserve those differences.

Let me just say in closing this: I like to answer questions. I enjoy it. I've spent the last 2 years doing it. The main thing is not for me to teach you but to learn from you. And the kinds of questions that you ask me, quite often I can't answer well. I don't claim to know all the answers. I'm new on the job. I've only been there 3 weeks so far. *[Laughter]*

I need you to help me. We're all in it together. I'm no better than any of you. I recognize that I ought to be not "First Boss" but "First Servant."

And if there is one department that can be an extension of my deep and sincere concern about American people—those who are needy, those who've been ignored, those who've sometimes been despised and who felt the isolation of helplessness and despair—it's you.

But I'm not going to leave you alone to deal with those special needs. And I hope that you won't leave me alone. There have been times in the past when this Department has not received an adequate concern and support from the White House. That will never be the case while I'm there.

And I want you to be aggressive in letting me have your suggestions and your tough criticisms. I don't object to that, because only in that way can I reexamine my own mistaken positions and do a better job for you.

I'm very grateful that you've let me come and interrupt your workday. *[Laughter]* I'll try not to let it happen too often. But I've enjoyed it very much.

NOTE: The President spoke at 10:49 a.m. in the cafeteria at the Office of Education building of the Department of Health, Education, and Welfare. Prior to his remarks, he toured a day care center at the Department.

Department of Agriculture

*Remarks and a Question-and-Answer Session With Department Employees.
February 16, 1977*

SECRETARY BERGLAND. Ladies and gentlemen, thank you very much. I am new here. My name is Bob Bergland. I have an office up on the second floor. I hope you will come to see me sometime.

It is my pleasure to introduce my farm adviser, the gentleman who gives me advice on most all agricultural matters, except peanuts, ladies and gentlemen, the President of the United States.

THE PRESIDENT. Thank you very much.

The week before last, I went to the Justice Department for the first time. Last week, I went to the Department of Housing and Urban Development for the first time. This morning, I went to the Department of HEW for the first time. But I have been to the Department of Agriculture a lot of times in the past. I am glad to be back.

If I am not mistaken the last person who was a full-time farmer was Thomas Jefferson. At times, I think that we had a comprehension within the White House of the tremendous responsibilities that are on the shoulders of the people who work in the Department of Agriculture.

I searched the Nation over, and I chose without any doubt or hesitation the best person that I could find to be the Secretary of Agriculture. And it's Bob Bergland. I think I am lucky and you are lucky that he is going to be Secretary. I know you found that out already.

ADMINISTRATION POLICIES

I spent a lot of time in the last 2 or 3 weeks thinking about cruise missiles, Backfire bombers, the B-1, nuclear carriers, the Mideast and potential conflict,

how to deal with the Panama Canal, how to let the American people know first of all the strength of our country, and secondly, how that strength might be used for peaceful purposes and not to dominate others.

We have a tremendous reservoir of inherent strength in our country over which you have authority and for which you have a measure of responsibility. That is the open farmlands, fields, and forests that God has given us. I want to be sure they are used for peace and for humanitarian reasons and for the welfare of all the people in future years. I am a partner with you to make sure this hope is realized.

There is no way that any other nation can challenge us in our capacity to produce food and fiber, and there is no way that we can ever be deprived of this tremendous advantage. It is there permanently. We are stewards of that tremendous gift. This has been part of my life.

My people have been in this Nation for more than 250 years. We have all been farmers. We have all seen the special relationship that must exist between those who produce food and fiber and those who consume it. In my opinion, there is no incompatibility between the two.

Other nations look to us for leadership. So it takes a combination of technology, a knowledge of agriculture, a knowledge of the needs of consumers, and a knowledge of government, of politics to bring it all together. And those are the characteristics that Secretary Bergland has so well.

As you well know now, there will be constant comprehension and support from the White House. Our farmers in this country, our ranchers in this country don't want to be welfare recipients. They don't want handouts. They want to be treated with respect. They want to have a maximum degree of independence and auton-

omy, an ability to utilize their own land resources and their own human resources.

Agriculture is our biggest industry in this Nation. We provide the major items of export. More than half the grain that moves in international trade is produced in our country.

So, your influence can be profound. We will develop within the next few weeks, by April the 20th, a comprehensive energy policy. We have been needing it for a long time. Again, your Department will be deeply involved in those basic decisions. You already are in many ways. I know that in the future we will see much more clearly what we can do individually to make our professional lives more effective and also to make sure that we contribute our share to the resolution of problems that don't directly relate to the departments in which we work.

Bob Bergland says he is new around here. So am I. I have a lot to learn. Within this room and within this tremendous Department there exists talent and intelligence and experience and ability and knowledge and sensitivity and concern that touches the lives of almost everybody in our country. How that talent and ability is harnessed will determine whether or not my own administration succeeds or fails and whether or not our Government succeeds or fails.

There are a lot of things that you can do to help me to be a good President. I think we have too much democracy bogged down and circumvented with divisions, bureaucratic regulations, unnecessary reports, forms, constraints, guidelines, interference. If you will help me, we will cut down those interferences and let our democracy deal with people as though they were human beings and not just statistics. We will have to work together on that.

Last week or so, I told the public and the Cabinet officers that I wanted people who write regulations, who are responsible

for that regulation, to sign it. I also asked all the Cabinet officers to read all the regulations that come out of their department. Sometimes it takes all weekend. I don't object to that. I think at least for a few weeks that we need to have the Cabinet members know what kind of regulations come out of each department, whether they are necessary at all, whether they are comprehensible, whether or not they are brief, and more importantly, whether or not they actually represent the policies of our own administration and the intent of Congress when legislation was passed. Only if I and the Cabinet members know what is being produced can we make the beneficial changes in the regulations promulgation area.

I have just written a letter to all the Cabinet officers, which Bob Bergland has not yet received, asking each one to assess a number of reports that are required from around the Nation that come around into the Federal Government here in Washington. We've got too many reports, they are too complicated. They produce an unnecessary aggravation that turns our people away from their own Government and puts a tremendous burden on ourselves to handle them.

I believe that it is accurate to say that the Department of Agriculture alone has more than 750 different reports that are acquired on a continuing basis and probably at least that many more that are required on a one-time basis.

And I've asked all the Cabinet members by the end of March to give me their assessment on which ones of those reports can be eliminated completely, how they can be made less frequent, how they can be made simpler, and how the information derived from those reports can be shared with other departments.

Another thing that we have asked the Congress to do is to give me authority, working with all of you and with the Con-

gress, of course, to reorganize the structure of the Federal Government.

You need not be afraid of these changes. The changes will initiate with you. And you will be part of the final decisionmaking process. It will all be done in the open. No one will be demoted, have their salaries decreased, or be fired as a result of reorganization. You need not fear that.

Some people say, well, you can't make changes unless you fire people or demote people. That is not true. At the lower pay grades, we have about a 15 to 18 percent attrition rate every year. At the upper grades, where people are retiring, we have about a 15 to 18 percent attrition rate; on the average about 10 percent. So every year, because of your own initiative, we have about a 10 percent turnover in Federal employees. That is an adequate reservoir of change so that we don't have to force change on your life that is damaging to your professional career or to your family's security. You need not worry about that.

We are going to put into effect one more thing that I will mention—and then I will answer some questions—that is, zero-base budgeting. It is going to be complete. The fiscal year '79 budget will be prepared using zero-base budgeting. I am familiar with it; so is Bert Lance; so is his deputy. We have used it for 4 years in Georgia. It worked.

It is simple. It gives us not only the opportunity, but the requirement that we consider all programs on an equal basis, whether they have been in effect 5 years, 15 years, 50 years, or whether they are going to be tried for the first time next year. They are reexamined annually so that we make sure we spend next year's human and financial resources on the things that are most important to the people of this country.

Another very great benefit comes from zero-base budgeting in that it lets you

make the decision. There is a one-page form required, one side of one sheet of paper. It is filled out by those that are responsible at the very lowest levels in the Department for a particular function. You will describe, just using a ballpoint pen, if you like, what your role is, how many people work with you and under you, how much money is being spent, and how you could perform your function better, if certain changes were made.

Sometimes you might want to cut back on a program. Sometimes you might want to keep it exactly as it is. Sometimes you might want to increase it substantially. But the initiation of changing ideas will be not from the White House, not from the Secretary level, not from OMB, but from you.

If you have had for a long time pent-up ideas, hopes about a better way to let your own life be meaningful in Government service, you will have a chance this year to show your contribution to the Federal Government can be of profound significance.

Now, I don't know all the answers about agriculture. I don't know all the answers about being President. But I will try to answer some questions for you. If I can't answer them, I will turn to my good friend, Bob Bergland.

Does anybody have a question?

QUESTIONS

FEDERAL TRAVEL EXPENSES

Q. An enormous amount of time is spent filling out travel vouchers and all these things to confirm travel actually having been performed. Would it not be possible to issue a credit card and let the credit card summary be adequate proof of travel for which I have been paid?

THE PRESIDENT. The question was a very good one. It is the kind of question that I hope you will be asking all year.

The young woman said that an enormous amount of her time—obviously she has to travel a lot—is spent just filling out travel vouchers and all the numerous copies to confirm that she actually performed her travel. And if it would not be possible to issue a credit card, which could be used by her on official visits, and let the credit card summary be adequate proof that she has actually done the travel for which she has been paid. Is that correct?

Q. Yes, sir.

THE PRESIDENT. It sounds great. Secretary Bergland says it sounds like an excellent idea. So, I think you will be seeing some changes made about that very shortly.

AGRICULTURAL RESEARCH

Q. Is there some way that agricultural research can be improved in its competition with other research and development funds, compared to defense and space, health, and so forth?

THE PRESIDENT. The question is about agricultural research and whether or not it can be improved in its competition with other research and development funds, compared to defense and space, health, and so forth.

The answer is certainly yes. This is one of the questions that came up quite often when I was campaigning for President among agricultural groups. I have seen in my own farm life the tremendous benefits that were derived from very small expenditures of funds in basic research.

When I was first home from the Navy, back in the early fifties, the average production of peanuts, for instance, was about 800 to 1,000 pounds per acre. Now the average in our State is 2,500 pounds to 3,000 pounds per acre. It is almost directly attributable to basic research that discovered that the more you plow peanuts, the lower the production is. So, when we quit cultivating our crops, we

not only saved a tremendous amount of energy and expense but we also derived tremendous financial benefit, and so did the rest of the world in getting cheaper food.

Well, I know you are experimenting, for instance, with minimum tillage for the production of our crops. And this is the kind of thing that can be done. I am in the process of choosing a scientific adviser for the President. The first six nominations I got were all physicists. I turned them all down. I am going to choose an earth scientist as my number one scientific adviser. That will be another insurance to my own interest that agricultural research will not be ignored in the future.

FEDERAL TAX REFORM

Q. You have recently given advice against living in sin. Don't you think the present tax laws encourage this?

THE PRESIDENT. The question was pointed out that recently I have given advice against living in sin. The point was made that the present tax laws encourage such—[laughter]—I started to say extra-curricular activities, but I guess that is not—and that is a fact. I don't want to publicize it, and I hope you don't tell anybody about it, but two people who do live together who are not married have an advantage when they pay their income tax.

We've put in, you might be interested in knowing, a stimulus package that would have given a \$2,400 standard deduction to married people. We discovered in the last 2 or 3 days that this further exaggerates the advantage of not living together while married. So, we have changed that proposal now and we are giving a \$2,100 standard deduction—or \$2,200 to single people, \$3,000 to married people, so that we won't aggravate that encouragement not to be married.

I might say this: When we have a complete revision of the income tax structure,

the study of which will be completed I think by the end of September, that will be one of the basic questions.

I would also like to remove the social security regulations and others that encourage the breaking up of families. It is not just a matter of living in sin. But it is a matter of trying to analyze all the Government regulations and structures, and laws and welfare and otherwise that tend to force a father to leave a home and break up with a family. Obviously, you can't legislate morality of that nature. But I think we can remove from that decision-making process, a financial reward for the destruction of families, either through welfare payment, if a husband is not in a home, which encourages the breaking up of the family.

But I am familiar with the problem on tax. It will be covered in the comprehensive tax reform assessment that is undergoing a complete study this year. We will be ready to recommend to the Congress a complete tax reform package this fall. Our present target date is the 4th or 5th of October.

FEDERAL PAY RAISES

Q. How do you feel about comparable pay raises for Federal employees compared to those in the private sector? The increase in Federal pay has not been keeping up with outside jobs.

THE PRESIDENT. The question is, how do I feel about comparable pay raises for Federal employees compared to those in the private sector. The further remark was made that the increase in Federal pay has not been keeping up with outside job payments.

I would certainly favor the concept of comparability. I am just a little reluctant to admit at this point that in the past this has not been done. I don't know about that. I would certainly favor comparable increases in salary.

We had a question at HEW this morning that might be important to you, in fact, we had two questions; that is, on the correction of the increasing percentages of Federal employees who occupy the higher grade levels. There has been a disproportionate accumulation of persons in those high grade levels. Something has got to be done to correct that.

My own inclination again is to use the concept of normal attrition rather than demoting people in an unfair way. But by having some freeze for a limited period of time to get the proportion reestablished and by using normal resignations and retirements and transfers initiated by the employees themselves, I think we can correct this problem much better and more fairly than by just peremptorily demoting people who have been granted a promotion because of their accomplishment.

ENVIRONMENT

Q. How do you feel about the mix of environmental quality and production?

THE PRESIDENT. The question is how do I feel about the mix between environmental quality and preservation and production of food and fiber.

I don't want to mislead you. I am a farmer myself. I use a wide range of herbicides and insecticides and other chemicals. Also we have a problem in my own processing plants. I have a cotton gin and a peanut shelling plant that I have now relinquished control of. But we have a problem there with environmental quality as well, air pollution in particular. As you know, farmers who are involved in livestock management quite often have an additional problem with water pollution.

So, in the use of toxic chemicals and air and water pollution, I think we ought to be very strict in adhering to the standards that have been established by Con-

gress. We also need to have in the research and development program a search for less toxic chemicals that can be used. Many of the chemicals that we formerly accepted as a normal part of our lives, like DDT, we have now found that they have very serious long-range impact on not only animal life but also human life.

I think that we have to balance them as best we can on an individual case basis. I think that the farmers have been very eager to accommodate changes in new chemicals. I know in my own warehouse business, we act almost like a school. When a new chemical comes out that has been proven to be both effective and safe, we teach all of our former customers along with the county agents and others how to use those chemicals in a proper fashion.

I can't answer your question simply because it is a complicated question. But I would not deliberately derogate the quality of our human and animal life in this country just to have a slight increase in productivity. I think it can be balanced. I think research and development and predictable policies on quality standards which are reasonable are the only approaches that I think can resolve this basic conflict. It is not a good answer, but it is the best I can give you.

Yes, in the back, standing up?

FOREIGN POLICY

Q. [*Inaudible*]

THE PRESIDENT. That question is difficult to answer in a simplistic way.

I would hope that we could get bilateral and multilateral agreement between our Nation and one other country and our Nation and all nations, to eliminate the possibility of additional nations being able to build atomic weapons. That would include South Africa, further development in India, an expansion of the nuclear capability to other countries, like Brazil, Ar-

gentina, Pakistan, South Korea, Taiwan.

We are moving very aggressively on this subject. I am now trying to induce the Germans not to sell nuclear processing capability to the Brazilians; to try to induce the French not to sell the same capabilities to Pakistan. But it has to be done with a sense among other people that we can provide part of the nuclear materials to produce power and then deprive them of an opportunity to reprocess waste to make explosives. That is the first part of your question.

Secondly, I would like to move toward the reestablishment of normal relationships between our own country and Angola, among other nations.

We now have several problems involved in that. The attitude of Angola and its Government toward keeping Cuban mercenaries—I would very much like to see the Cubans remove their soldiers from Angola. Let the Angolan natives make their own decisions about their Government.

We have received information from indirect sources that Castro and Cuba has promised to remove those troops. That would be a step toward full normalization of relationships with Angola.

The same thing applies ultimately to the restoration of normal relationships with Cuba. If I can be convinced that Cuba wants to remove their aggravating influence from other countries in this hemisphere, will not participate in violence in nations across the ocean, will recommit the former relationship that existed in Cuba toward human rights, then I would be willing to move toward normalizing relationships with Cuba as well.

The same thing applies to Vietnam. I would like to see us work out with Vietnam a proper accounting for the 2,205 Americans who were lost in that war. There are some still classified as missing

in action. Then I would be perfectly glad to support the admission of Vietnam to the United Nations and to normalize relationships with Vietnam.

In all we have 14 nations in the world with whom we do not have normal relationships. We are dealing with each one of those cases on an individual basis. In some instances, the other governments despise us so deeply that they don't want to deal with us or search out common grounds for normalizing relationships.

So, to hold down nuclear weapons, to remove the military presence in the African nations from any other country including our own, and to normalize relationships with countries with whom we don't have a present friendship with, all those are matters of high priority on my foreign affairs agenda.

WELFARE REFORM

Q. On welfare reform, is it possible to get people who are able to work off welfare?

THE PRESIDENT. The question is about welfare reform and the possibility of getting people who are able to work off welfare.

This was one of my major themes during my campaign. Let me say this: About 90 percent of the people on welfare cannot work. The other 10 percent can work. I am perfectly willing to give humane and adequate aid to those who are not able to work. I am not willing to support those who are able to work and won't. The separation of that will be a major thrust of my government.

I might point out one other thing: We, by the first of May, will complete an analysis of the entire welfare system. We are trying to get HEW, HUD, Labor, and many other agencies to work together to deal with this question.

For those who are presently on welfare that are able to work ought to be given

training. They ought to be matched with a job that is available, and they ought to be offered the job. If they are offered a job and don't take it, I am not in favor of paying them any more benefits.

ZERO-BASE BUDGETING

Q. For a number of years the Federal budget has been just like a refrigerator containing old programs that may or may not be any longer needed. Is the zero-base budgeting an effort to correct that problem?

THE PRESIDENT. Yes. The question was that for a number of years the Federal budget has been just like a refrigerator containing old programs that may or may not be any longer needed. Is the zero-base budgeting an effort to correct that problem?

Yes, it is. That is one of the major thrusts of zero-base budgeting, is to take each year every program, whether it has been there 100 years or 50 years or 5 years, and to reassess the need for the continuation of that program at all or to decide how much it ought to be cut down to make room for new programs that are much more necessary for our people in this country.

This is done routinely, every year. You will be very surprised, pleasantly, I believe, at the penetrating analysis that will now be possible for a leader at the supervisor level, for the Secretary of a major department, a member of the Cabinet, and for the President to assess what things ought to be changed.

The other benefit is that it is organic in nature, in that it doesn't start at the top by the President telling the OMB Director to tell the Secretary to make a change. It works exactly the opposite. It starts with you. If you work in an agricultural seed laboratory and you have 20

people working for you, on one side of one sheet of paper you make an analysis: "I've got 20 people working. This is a product that I produce, the analysis of seed. This is how many people I need next year and the year after next, and how much money I need. This is how I can do my job better. This aspect of my job we ought to cancel. This we ought to increase."

And then all those one-sheet, one-page analyses are put together, they are called decision packages, they work themselves up to the Assistant Secretary and into the Secretary level. A copy of your analysis is observed by OMB. And we make a decision within the overall budget limits that might relate to this Department, how to spend the money more effectively.

It is a very good system. It works. I think you will be very pleased with it next year.

Maybe I can take one other question. I promised this lady right here. Yes, ma'am?

FEDERAL REPORTING PROCEDURES

Q. You have put a lot of emphasis this morning on the number of reports that the bureaucracy puts on people. Do you have an equal concern about the number of reports placed on the bureaucracy from other parts of the Government, like the White House, OMB, and I presume Congress as well, and Civil Service?

THE PRESIDENT. Right. That is an excellent question.

The question was this: I have put a lot of emphasis this morning on the number of reports that the bureaucracy puts on people. Do I have an equal concern about the number of reports placed on the bureaucracy from other parts of the Government, like the White House, OMB,

and I presume Congress as well, and Civil Service?

I have asked every one of the Secretaries, as I said earlier, by the end of March to give me an analysis of all the reports, the survey forms and so forth, that are required. Some of them are required by law, and neither I nor the Secretary can change that immediately.

But I would like for Bob Bergland to give me a list of all those reports that are required by law that ought to be eliminated. As you well know, in some instances, Congress passes a law in 1912 that says that every month the American farmers or the commissioners of agriculture, the different States have to make a report to the Department of Agriculture in Washington. Unless the law is changed, a thousand years later those reports will still be coming in. I am sure you see a lot of them. I want to have an analysis so that I can go back to Congress, to the Agricultural Committee and others, and say these are the reports that we don't think we need anymore. Maybe in one piece of legislation we can eliminate those unnecessary reports.

I don't like to see State officials, local officials, business people, farmers bogged down making reports to us. I particularly don't like to see your time taken up with the collection, dissemination, analysis, and collation of material that comes out of those reports. It is not necessary.

We certainly don't need to have personal data coming into the Agriculture Department if the same exact data is coming into HEW or HUD. I think this would free you to deal more directly with people that depend upon you for Government services and not just have you transferring paper back and forth among yourselves or between you and people who are ag-

gravated by it and are obviously not aided by it.

I am really sincere about this request, and I am determined to correct it. It is not a transient idea of mine. I consider my word of honor is at stake. I intend to do something about it. I hope you will help me with it.

Let me say this in closing: We have all got a tremendous opportunity given to us to serve in the Government of the greatest nation on Earth. There ought to be a complete, intimate, trustful relationship between the people of our country and the Federal Government employees. I am one of them.

That relationship, when it is damaged, almost invariably has been hurt by Presidents, Cabinet members, and in some instances by Members of Congress.

It is very seldom your responsibility or your fault, but quite often, if the President or Cabinet officers or Congress takes an attitude, that attitude percolates down to the home demonstration agent, to the county agent, to the experiment stations, to the forestry personnel and others.

I just want to make sure that all of us reassess our attitude toward Government service. We are not any better than anyone else. I am no better than you. We don't know all the answers. We are nobody's boss. We are servants. We are also partners.

I cannot succeed as President unless you help me succeed. You cannot succeed as public servants either, unless you have my support and my cooperation.

So it's a partnership. I will do the best I can not to let you down.

Thank you very much.

SECRETARY BERGLAND. Thank you, Mr. President.

NOTE: The President spoke at 11:40 a.m. in the Patio Area at the Department of Agriculture.

Environmental Protection Agency

Nomination of Douglas M. Costle To Be Administrator and Barbara Blum To Be Deputy Administrator. February 16, 1977

The President today announced that he will nominate Douglas M. Costle and Barbara Blum to be Administrator and Deputy Administrator, respectively, of the Environmental Protection Agency.

Costle is presently assistant director of the Congressional Budget Office, responsible for directing the Natural Resources and Commerce Division.

He was born in Long Beach, Calif., on July 27, 1939. He received an A.B. from Harvard University in 1961 and a J.D. from the University of Chicago Law School in 1964.

From 1964 to 1965, Costle was a trial attorney for the Civil Rights Division of the U.S. Department of Justice. He worked as an attorney for the Economic Development Administration of the U.S. Department of Commerce from 1965 to 1967, and served as deputy director of a \$23 million pilot project designed to reduce unemployment in Oakland, Calif., through capital investment.

In 1967 he was an associate attorney for the firm of Kelso, Cotton, Seligman and Ray, and from 1968 to 1969, he was a senior associate at the urban policy planning firm of Marshall Kaplan, Gans and Kahn in San Francisco.

From December 1969 to December 1970, Costle was senior staff associate, environmental and natural resources, for the President's Advisory Council on Executive Organization. In that capacity, he directed the Council's evaluation of Federal environmental programs, which led to the establishment of the Environmental Protection Agency.

In 1971 Costle was a Fellow of the Woodrow Wilson International Center

for Scholars of the Smithsonian Institution. From 1972 to 1973, he was deputy commissioner of the Connecticut Department of Environmental Protection, and from 1973 to 1975 he was commissioner of that department.

Costle served as a consultant to the Environmental Protection Agency from March 1975 to July 1975, working on evaluation of EPA land use policies. In July 1975, he became assistant director of the Congressional Budget Office.

Costle is married to the former Elizabeth Rowe. They have a daughter and a son and reside in Virginia.

Barbara Blum was a deputy campaign director for the Carter-Mondale Presidential campaign in 1976.

She was born July 6, 1939. She received a B.S. degree in 1958 and an M.S.W. degree in 1959 from Florida State University.

From 1960 to 1962, Blum was on the faculty of the Pediatric Psychiatry Clinic at the University of Kansas Medical Center. She was acting administrator of the Suffolk County Mental Health Clinic in Huntington, Long Island, in 1963 and 1964. In 1964 she was a founder of the Mid-Suffolk Center for Psychotherapy in Hauppauge, Long Island, and she served as a partner and center administrator there until 1966.

From 1966 to 1974, Blum was vice president of Restaurant Associates of Georgia, Inc., an Atlanta management and purchasing company for a wholly owned chain of restaurants and a restaurant equipment company founded by Blum and her husband.

Blum has been a member of the Federal Reserve Board National Consumer Advisory Council since 1976; chairman of the Georgia Heritage Trust Commission since 1976; and vice-chairman of the Fulton County Planning Commission since 1974.

She was a member of Leadership Atlanta (appointed by the Atlanta Chamber of Commerce) from 1974 to 1976 and on the Advisory Board of the Atlanta-Macon Corridor Study (appointed by the Georgia Department of Transportation) from 1973 to 1975. In 1973-74 Blum served on the Georgia Vital Areas Council, and from 1972 to 1974 she was a member of the Health and Social Services Advisory Board and Governmental Services Advisory Board of the Atlanta Regional Commission.

Since 1972 she has been chief lobbyist in the Georgia General Assembly and in Washington, D.C., for SAVE (Save America's Vital Environment) and from 1973 to 1976, was president of that organization. She was on the board of the National Committee for an Effective Congress in 1976 and has been a trustee of the Georgia Conservancy since 1973.

She is married to Donald W. Blum. They have four children and live in Atlanta.

Reduction in Reports Required of the American Public

Memorandum for the Heads of Executive Departments and Agencies.
February 16, 1977

Memorandum for the Heads of Executive Departments and Agencies

As I outlined in the Cabinet meeting on Monday, January 24, I am determined to improve the efficiency and effectiveness of the Executive Branch. As part of this improvement, I place a high priority on reducing the burden which reporting to the Federal Government places upon the American public.

My predecessor launched a program to secure a modest five percent reduction in

reporting burden by September 30, 1977. I am dismayed to learn that the executive departments and agencies have made virtually no progress toward the achievement of that goal.

To assure that this matter receives your continuing attention, I want you to assume personal responsibility for the successful fulfillment of this task and for achieving the purposes of the Federal Reports Act as they relate to your agency. You may delegate authority, but any such delegation must be unambiguous and must run directly to yourself.

Please determine personally:

(a) How many reports does my agency receive?

(b) How many can be combined or eliminated?

(c) How can they be simplified?

(d) Can less frequent reports serve adequately?

(e) Can major departments, agencies and sub-agencies share the same report?

I do not look upon the task of reducing the reporting burden on the public as a one-shot campaign. It is a continuing problem. Routine efforts to deal with it will not suffice. You should review your agency's data collection activities to find ways of carrying out your program responsibilities in a manner which will reduce the paperwork burden on the public.

Assess reports now required by law. You should develop recommendations for changes in legislation which might permit further reductions in reporting in the future.

I have assigned to the Director of the Office of Management and Budget responsibility for exercising general oversight over the reporting burden reduction program. When possible, apply to existing forms the OMB restraints on new forms and reports.

I anticipate your wholehearted and enthusiastic support in achieving these goals.

I want each of you and your staff to cooperate fully with the Commission on Federal Paperwork, which is pursuing a broad inquiry into matters relating to paperwork generated by Federal agencies and its impact on the public.

Finally, report to OMB by March 31 the goal of your agency for reduction of required reporting which will be achieved by September 30, 1977, plus other recommendations concerning legislation and cooperation with other agencies.

JIMMY CARTER

Landing Rights for the Concorde

Statement by the White House Press Secretary. February 16, 1977

During the last few days, Prime Minister Callaghan of the United Kingdom and President Giscard d'Estaing of France sent personal messages to the President on the subject of landing rights for the Concorde aircraft at John F. Kennedy Airport in New York, on a 16-month trial basis, as provided for in the decision of former Secretary of Transportation Coleman on February 4, 1976.

Yesterday, the President replied to these messages, indicating that he shared the desire of the two European leaders to approach this matter in a way that reflects the close friendship between our countries.

The President stated that he cannot direct the Port of New York Authority or the Governor of New York to reach a particular decision that is theirs alone to decide.

He further stated, however, that this administration will reaffirm the 16-month trial period for Concorde landings as proposed in the decision of former Secretary of Transportation Coleman. This position,

of course, does not prejudice the outcome of the administration's later decision on whether Concorde should be given permanent permission to land at United States airports.

The President further expressed his hope that this action will be a basis for reaffirming the close ties between the United States and Britain and France as we work together to meet problems that we face in common.

NOTE: Press Secretary Jody Powell read the statement at his February 16 news conference at the White House. It was not issued in the form of a White House press release.

Visit of President López Portillo of Mexico

United States-Mexico Joint Communiqué. February 17, 1977

President Jimmy Carter of the United States of America and President José López Portillo of the United Mexican States, during two days of discussions in Washington, reconfirmed the special importance each places on close and friendly relations between the two neighboring nations. The two Presidents pledged that they would examine closely in the next few months the multiple aspects of the relations between Mexico and the United States with a view to developing policies that reflected the interrelated nature of mutual problems. The two Presidents concluded that the primary objective of each government would be to develop a mutually beneficial relationship that would contribute to the well-being of their nations. To this end they agreed to meet to review progress in the development of comprehensive policies of each of their governments.

The two Presidents also discussed the global situation and agreed to consult reg-

ularly on the search for world-wide peace, economic betterment and respect for the rights of man. They reaffirmed that the principles governing relations between the United States and Mexico were non-interference in internal affairs, respect for the sovereign rights of each nation and the recognition of the particular nature of the relationship of neighboring countries.

The two Presidents considered carefully a number of important subjects including economic and monetary questions, investment, trade, immigration, narcotics, smuggling, and some illicit activities, agricultural exchanges, energy, nonproliferation of nuclear arms, Mexico's desire for increased and improved access to international financial institutions and capital markets and the need to seek a better balance in trade between the two countries. They also agreed that it would be of mutual benefit to both countries to contribute to Mexico's development through an increase in the flow of trade between Mexico and the United States, and to stimulate tourism in both directions.

President Carter was impressed by the determination and ability of the Mexican Government to deal with these problems and offered his cooperation in seeking solutions.

President Carter and President López Portillo agreed that the Secretary of Foreign Relations of Mexico and the Secretary of State of the United States should maintain close and frequent personal contacts to assure high-level coordination on actions that might affect both countries. They also agreed that other high officials in both countries should have direct access to each other to discuss pertinent issues when necessary and that mechanisms would be established to study these issues in detail.

The state visit of President López Portillo and the open and friendly discussions between the Presidents of Mexico and the

United States served to underscore and reaffirm the close and friendly relationship between the two countries.

United States Circuit Judge Nominating Commission

Executive Order 11972. February 14, 1977

ESTABLISHING THE UNITED STATES CIRCUIT JUDGE NOMINATING COMMISSION

By virtue of the authority vested in me by the Constitution and statutes of the United States of America, and as President of the United States of America, it is hereby ordered as follows:

SECTION 1. *Establishment of the Commission.* There is hereby established the United States Circuit Judge Nominating Commission (hereinafter referred to as the "Commission"). The Commission shall be composed of thirteen panels, each of which shall, upon the request of the President, recommend for nomination as circuit judges persons whose character, experience, ability, and commitment to equal justice under law, fully qualify them to serve in the Federal judiciary. Except as indicated below, each panel shall serve a geographic area set forth in 28 U.S.C. 41. The panels shall be as follows:

- (1) Panel for the District of Columbia Circuit;
- (2) Panel for the First Circuit;
- (3) Panel for the Second Circuit;
- (4) Panel for the Third Circuit;
- (5) Panel for the Fourth Circuit;
- (6) Panel for the Eastern Fifth Circuit, for the States of Alabama, Florida, Georgia and Mississippi;
- (7) Panel for the Western Fifth Circuit, for the States of Louisiana and Texas, and the Canal Zone;
- (8) Panel for the Sixth Circuit;

- (9) Panel for the Seventh Circuit;
- (10) Panel for the Eighth Circuit;
- (11) Panel for the Southern Ninth Circuit, for the States of Arizona, California, and Nevada;
- (12) Panel for the Northern Ninth Circuit, for the States of Alaska, Hawaii, Idaho, Montana, Oregon, and Washington, and the Territory of Guam; and
- (13) Panel for the Tenth Circuit.

A panel shall be designated as, *e.g.*, the "United States Circuit Judge Nominating Panel for The First Circuit."

SEC. 2. *Membership.* (a) The membership of the Commission shall consist of the combined memberships of the panels. The President may appoint a member of the Commission as its Chairman, with such duties as the President may assign.

(b) A panel shall be composed of a Chairman and other members appointed by the President. No panel shall have more than eleven members including the Chairman.

(c) Each panel shall include members of both sexes, members of minority groups, and approximately equal numbers of lawyers and nonlawyers. Except as provided in subsection (d), the membership of each panel shall include at least one resident of each of the States within the geographic area of the panel, but additional members may be appointed from any territory or State within that area.

(d) All members of the panel for the District of Columbia Circuit shall be persons residing within the District of Columbia or within twenty miles of its boundaries.

SEC. 3. *Functions of Panels.* A panel shall begin functioning when the President notifies its Chairman that he desires the panel's assistance in aid of his constitutional responsibility and discretion to select a nominee to fill a vacancy on a

United States Court of Appeals. Upon such notification, the panel shall:

(a) Give public notice of the vacancy within the relevant geographic area, inviting suggestions as to potential nominees;

(b) Conduct inquiries to identify potential nominees;

(c) Conduct inquiries to identify those persons among the potential nominees who are well-qualified to serve as a United States Circuit Judge; and

(d) Report in confidence to the President, within sixty days after the notification of the vacancy, the results of its activities, including its recommendations as to the five persons whom the panel considers best qualified to fill the vacancy.

SEC. 4. *Standards for Selection of Proposed Nominees.* (a) Before transmitting to the President the names of the five persons it deems best qualified to fill an existing vacancy, a panel shall have determined:

(1) That those persons are members in good standing of at least one state bar, or the District of Columbia bar, and members in good standing of any other bars of which they may be members;

(2) That they possess, and have reputations for, integrity and good character;

(3) That they are of sound health;

(4) That they possess, and have demonstrated, outstanding legal ability and commitment to equal justice under law;

(5) That their demeanor, character, and personality indicate that they would exhibit judicial temperament if appointed to the position of United States Circuit Judge.

(b) In selecting persons whose names will be transmitted to the President, a panel shall consider whether the training, experience, or expertise of certain of the well-qualified individuals would help to meet a perceived need of the court of appeals on which the vacancy exists.

(c) To implement the above standards, a panel may adopt such additional criteria or guidelines as it considers appropriate for the identification of potential nominees and the selection of those best qualified to serve as United States Circuit Judges.

SEC. 5. *Ineligibility of Commission Members.* No person shall be considered by a panel as a potential nominee while serving as a Commission member or for a period of one year after termination of such service.

SEC. 6. *Travel Expenses and Financing.* (a) Members of the Commission shall receive no compensation from the Government of the United States for their service as members of the Commission, but may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by law (5 U.S.C. 5702 and 5703) for persons intermittently employed in the government service.

(b) All necessary expenses incurred in connection with the work of the Commission shall be paid from the appropriation for "Unanticipated Needs" in the Executive Office Appropriations Act, 1977, or from such other funds as may be available.

(c) Expenditures authorized by this Section may be made only after the President has notified a panel's Chairman that he desires the panel's assistance in accordance with Sec. 3, above, and before the termination of appointments to the panel in accordance with Sec. 7 below.

SEC. 7. *Term of Membership.* Unless extended by the President, each appointment to a panel shall terminate thirty days after submission of the panel's report to the President. Within a reasonable time after termination of an appointment, or the creation of a vacancy for any other reason, the President shall appoint a person to fill such vacancy.

SEC. 8. *Termination of Commission.* The Commission shall terminate on De-

cember 31, 1978, unless sooner extended by the President.

JIMMY CARTER

The White House,
February 14, 1977.

[Filed with the Office of the Federal Register,
3:08 p.m., February 15, 1977]

NOTE: The text of the Executive order was released on February 17.

Department of the Treasury

***Nomination of Laurence N. Woodworth
To Be an Assistant Secretary.
February 17, 1977***

The President today announced that he will nominate Laurence N. Woodworth to be an Assistant Secretary of the Treasury (Tax Policy).

Woodworth has been chief of staff of the Joint Committee on Internal Revenue Taxation since 1964.

He was born March 2, 1918, in Loudenville, Ohio. He received an A.B. degree from Ohio Northern University in 1940 and an M.S. degree in government from the University of Denver in 1942.

From 1942 to 1943, he was a tax analyst on local government for the Civic Research Institute in Kansas City, Mo. He worked for the Tax Foundation in New York City in 1943 and 1944, and in 1944 joined the staff of the Joint Committee on Taxation in Washington, D.C., as an economist.

In 1960 Woodworth received a Ph. D. in economics and public administration from New York University. In 1964 he became chief of staff for the Joint Committee on Internal Revenue Taxation.

Woodworth is married to the former Margaret Forrest Bretz. They have four children and live in Cheverly, Md.

Committee on Selection of the Director of the Federal Bureau of Investigation

Appointment of the Chairman and Members of the Committee. February 17, 1977

The President today announced that he has asked the following persons to be members of the Committee on Selection of the Director of the Federal Bureau of Investigation:

IRVING S. SHAPIRO (Chairman)
CLARENCE M. KELLEY
SUSIE MARSHALL SHARP
MARY ELEANOR WALL
JOSEPH F. TIMILTY
CRUZ REYNOSO
TOM BRADLEY
CHARLES MORGAN, JR.
FREDERICK AUGUST OTTO SCHWARTZ

The Committee will meet with the President on Friday, February 18.

Irving S. Shapiro, 60, is chairman and chief executive officer of E. I. du Pont de Nemours & Co., and was an attorney in the Criminal Division of the Department of Justice from 1943 to 1951.

A native of Minneapolis, Minn., he received his undergraduate and law degrees from the University of Minnesota. After serving in the Justice Department, he joined du Pont in 1951 as an attorney in the general legal division. He served as vice chairman of the board from 1970 to 1973, when he was made chairman and chief executive officer of the firm.

He is married to the former Charlotte Harsht. The couple has two children, Stuart Lane and Elizabeth Irene. They maintain their residence in Greenville, Del.

Clarence M. Kelley, 65, is currently the Director of the FBI.

As a former special agent for the FBI, he entered on duty in October 1940. He served as a special assistant in the Hunt-

ington, W. Va., and Pittsburgh offices; the FBI Training Center, Quantico, Va., as a firearms instructor; and in the Des Moines office.

He was on military leave from the FBI from 1942 to 1946, when he served in the U.S. Navy in the South Pacific.

He returned to the FBI and served as Assistant Special Agent in Charge in a number of offices throughout the country, and served as Special Agent in Charge of the Birmingham and Memphis offices until his retirement in 1961.

He served as chief of police in Kansas City, Mo., until he was named Director of the FBI on June 7, 1973.

Mr. Kelley received his undergraduate degree from the University of Kansas and received his law degree from the University of Missouri in Kansas City. He is married to the former Shirley Dyckes. He has children by a previous marriage, Kent and Mary Ruth.

Susie Marshall Sharp, 69, has served as an associate justice of the Supreme Court of North Carolina since 1962.

After she received her law degree from the University of North Carolina, she was in private practice in Reidsville, N.C., where she also was a city attorney from 1939 to 1949. She later served as a special judge for the Superior Court of North Carolina.

Mary Eleanor Wall, 47, has been a member of the DuPage (Illinois) County Board since 1974.

A native of Lakeland, Fla., Mrs. Wall was educated at Florida Southern College in Lakeland and Emory University in Atlanta. She served as Christian education director in churches in Lakeland, Fla., and Decatur, Ga. She also served as a local, State, and national officer for the American Association of University Women.

She is married to the Rev. James M. Wall, the editor of the Christian Century

magazine. The couple has three sons, David, Robert, and Richard.

Joseph F. Timilty, 38, is a Massachusetts State senator from Boston and is currently serving on the Joint Committee on Urban Affairs.

He was appointed teaching fellow at Harvard University's Kennedy Institute for Politics in 1972, and is now on the faculty of the Boston University urban affairs department, teaching a course on urban legislating and lobbying techniques.

He is married to the former Elaine Benson and has six children, Kelly, Kara, Joseph, Jr., Patrick, James, and Gregory.

Judge Cruz Reynoso, 45, is an associate justice for California's Third District Court of Appeals in Sacramento, Calif.

He was a professor of law at the University of New Mexico Law School for 4 years, and he served as deputy, and later director, of the California Rural Legal Assistance, Inc., for 4 years. He also served as Associate General Counsel for the Equal Employment Opportunity Commission in Washington, D.C.

A native of Brea, Calif., Judge Reynoso received his undergraduate degree from Pomona College and his law degree from the University of California at Berkeley. He also received a Ford Foundation student research grant at the National University of Mexico in Mexico City.

He is married to the former Jeannene Harness and has four children, Trina, Ranene, Len, and Rondall.

Tom Bradley, 59, has been mayor of Los Angeles, Calif., since 1973.

He was a member of the Los Angeles Police Department from 1940 until 1961, when he left to enter private law practice for 2 years. He was on the Los Angeles City Council for 2 years before being elected mayor.

A native of Calvert, Tex., he attended the University of California at Los Angeles and received his law degree from

Southwestern University. He is married to the former Ethel Arnold and has two daughters, Lorraine and Phyllis.

Charles Morgan, Jr., 46, former head of the Washington legislative office of the American Civil Liberties Union, practices law in Washington, D.C.

A native of Birmingham, Ala., Mr. Morgan received his undergraduate and law degrees at the University of Alabama. He was in private practice in Birmingham from 1955 to 1963, when he was the principal attorney in *Reynolds v. Simms*, the one-person, one-vote legislative reapportionment case.

In 1963 Mr. Morgan joined the American Civil Liberties Union and founded the ACLU's southern regional office, which he directed until he went to Washington in 1972 to head the legislative office.

He is a visiting professor at New York Law School and is president of the Fund for Constitutional Government. He is married to the former Camille Walpole and has a son, Charles III.

Frederick August Otto Schwartz, 41, former chief counsel to the Senate Select Committee on Intelligence, is a partner in the New York law firm of Cravath, Swaine, and Moore.

A graduate of Harvard Law School, Mr. Schwartz was a law clerk for the late Judge J. Edward Lumbard, Chief Judge for the Court of Appeals for the Second Circuit.

He also served as an assistant commissioner for law revision for the government of northern Nigeria and was a research associate at the Massachusetts Institute of Technology. He joined the present law firm in 1963 and became a full partner in 1969.

He is the grandson of F. A. O. Schwartz, the founder of the New York City toy store. He is married to the former Marian Ladd Latsley. The couple has

three children, Frederick, Adair, and Eliza.

White House Staff

Appointment of Five Persons. February 17, 1977

The President today announced the following appointments to the White House staff:

DOUGLAS HURON, to be Associate Counsel to the President;

RICHARD HUTCHESON, to be Staff Secretary;

BRUCE KIRSCHENBAUM, to be Associate Assistant for Intergovernmental Relations;

MARGARET McKENNA, to be Deputy Counsel to the President; and

MARK SIEGEL, to be Deputy Assistant to the President for Policy Analysis.

Huron was born December 28, 1945, in Highland Park, Mich. He received a B.A. from Swarthmore College in 1967 and a J.D. from the University of Chicago Law School in 1970.

From 1970 through early 1976, Huron worked in the Civil Rights Division of the Justice Department, where he prosecuted cases of employment discrimination. In April 1976, he resigned from the Justice Department to work for the Carter campaign. In the general election, he served as counsel to the Carter-Mondale campaign, where he was responsible for ensuring compliance with Federal election laws.

Hutcheson will be responsible for organizing the paper flow to and from the President; for seeing that all communications going to the President are appropriately staffed; and for following up on the President's comments on the material he has read.

Hutcheson was delegate selection coordinator for the Carter campaign during the primaries, and directed the Carter floor operation at the 1976 Democratic

National Convention. During the general election campaign, he was national campaign coordinator, responsible for relating the polling, scheduling, and field office operations to one another.

In 1974 he was assistant to the director of political research at the Democratic National Committee. He received an M.A. in political science from the University of California at Berkeley in 1974 and a B.A. with highest honors from Swarthmore College in 1973. He was born January 23, 1951, in Yorktown, Va.

Kirschenbaum was born January 31, 1945, in New York City, and grew up there and in Harrison, N.Y. He is a graduate of Syracuse University and Columbia University Law School.

Prior to joining the Carter transition staff in August 1976, Kirschenbaum served as director of New York City's Washington office. Other positions included director of the Washington office of the National Legal Aid and Defender Association, staff attorney at the Office of Economic Opportunity, and legislative assistant to Senator Jacob Javits. Kirschenbaum resides in Reston, Va.

McKenna is a native of Providence, R.I., born June 3, 1945. She served as Rhode Island State coordinator for the Carter-Mondale campaign, and was formerly assistant to the director of the Office of Revenue Sharing of the Treasury Department.

From 1974 to 1976, she was executive director of the International Association of Official Human Rights Agencies. Prior to that she was a trial attorney in the Civil Rights Division of the Department of Justice.

McKenna is a graduate of Emmanuel College in Boston. She attended Boston College Law School and graduated from Southern Methodist University Law School in Dallas, Tex. She has taught at SMU Law School and the University of

Oklahoma Graduate School of Human Relations.

Siegel will work with Hamilton Jordan. He served as executive director of the Democratic National Committee from 1975 to 1977, and before that was executive officer of the national committee coordinating the party's reform efforts.

He was born December 23, 1946, in Brooklyn, N.Y., and is a graduate of Brooklyn College of the City University of New York. He holds a master's degree and doctorate in political science from Northwestern University.

A former American Political Science Association Congressional Fellow, he has served as an assistant professor of political science at Loyola University of Chicago, legislative assistant for domestic affairs to Senator Hubert H. Humphrey, elementary schoolteacher in the New York City school system, and with the Office of Economic Opportunity's Northeast Regional Headstart and Community Action components. He resides in Silver Spring, Md.

President's Commission on Mental Health

Remarks of the President and Mrs. Carter at the Signing Ceremony of Executive Order 11973. February 17, 1977

THE PRESIDENT. This is a pleasant experience because I see around the room a lot of old friends who worked with me and Rosalynn in the broad and exciting and challenging field of mental health. This is one of the most gratifying experiences that a human being could have—to deal with those who have been bereft of care for years and who are at the mercy of governmental agencies and sometimes neighbors and friends who haven't seen their affliction and haven't shown a per-

sonal interest in them, and then to see what apparently was an almost wasted life be enhanced and revived and a great spirit come forth.

I've seen, as a Governor and as a local official, and recently as President, the complexity of dealing with the mental health field. Because of a diversity of interest and the complexity of responsible groups who each have an almost fervent commitment to do something for those about whom we are concerned, I want to do a good job as President and I want to be able to achieve some progress in the field of mental health.

But to sit, from my perspective in the White House, in the Oval Office, and look out, it is almost impossible to understand what I ought to do.

I know Paul Rogers and the other Congress members here have the same frustration. There have been a number of private groups formed, and there have been a number of governmental agencies at all levels of government formed. They have got to be brought together.

Well, the cost is enormous. I think Rosalynn and her group have computed \$37 billion in dollar cost. And this applies to mental illness and mental retardation and drug problems and emotional disturbance and alcoholism. I want to be sure that when we end this next few months of study that we haven't reinvented the wheel, that we haven't repeated the superb work that has been done in the past, that no group is excluded from the process, and that we've torn down the tight walls that sometimes have been built around groups because they didn't want to have someone else encroach on their special concern because they were afraid that they might relinquish a chance to get their share of the money and the care for people whom they love so much.

We are all in it together, and we have a common purpose. I am very pleased now to sign an Executive order creating the President's Commission on Mental Health. I would like to do that at this time, and then I would like to introduce to you one of my assistants, one of my partners, an expert advisor on mental health problems who has been active for many years in an unpublicized way, sometimes in a publicized way, but whose judgment I trust implicitly. I will let you know what that person's name is after I sign the Executive order. This Executive order that I will sign, let me explain to you in a few minutes.

[At this point, the President signed the Executive order.]

The Executive order is signed. Now I would like to introduce to you one of the best partners that you will ever have in putting together a comprehensive and effective approach to the serious question of mental health—my wife, Rosalynn.

MRS. CARTER. Thank you very much.

Jimmy couldn't stay for the whole afternoon. I wanted to be sure he got the order signed first.

This is a great day for me. I've talked about this Commission for so long, and now, to have the Executive order signed and to have you here who are so supportive, is just really very pleasing to me.

I became interested in mental health while campaigning. Campaigning is a great learning experience. I had never been involved with mental health programs or problems at all until I campaigned for Jimmy when he ran for Governor. I had so many people ask me then, "What will you do for my retarded child? I have a son who is in the 7th grade who is emotionally disturbed. I don't know where to go for help for him. What will your husband do to help him if he is elected Governor?"

I really became concerned about it. I had always worked. I knew I wanted to have something to do. But mental health problems touch so many people, and I became so aware of this campaigning. One night—I had decided that I wanted to work with the mental health program when Jimmy was Governor. This is a true story. Many of you have probably already heard it because I tell it all the time. But I was campaigning in a little community in Georgia. I had a reception at 6 o'clock in the afternoon. When I got through with the reception I was through for the day, and I found out that Jimmy was going to be in that same town that night—which was great. I never saw him in the campaign.

So, I stayed and got in the back of the auditorium while he spoke. And after his speech was over, I got in line, went down with everybody else, shook hands with him. He shook my hand before he saw who I was, and then he said, "What are you doing here?" And I said, "I came to see what you are going to do about the mental health program in Georgia." He said, "We are going to have the best one in the United States, and I am going to put you in charge of it."

Well, he didn't put me in charge of it, of course. But he did appoint me to the Governor's commission to improve services to the mentally and emotionally handicapped.

I worked with that commission and we were very pleased with what we were able to do or what has been done in Georgia. We submitted a report; we inventoried the needs in the State; gave a report to Jimmy. He implemented almost all of it in his reorganization of State government. And we are very pleased with that.

As you probably know, for the past year and a half, or a little more, I have campaigned all over the country. In my biographical sketch, I had a little paragraph

that said that I was interested in mental health. And so everywhere I went, if people had a good program, they wanted me to see it. I had a chance to see things happening all over this country that are good. I also saw things happening that I thought needed help.

I hope, with the establishment of this Commission, I know that we can give some of that help. We have a chance to do great things in our country. The best thing, as Jimmy said about this Commission, is that we don't have to start from scratch. Many of you have done just great things. Past commissions have made reports; commissions that are operating now have made reports. We have a chance to have the best knowledge, the best minds.

The original Joint Commission on Mental Health and Mental Illness, as you know, changed the whole direction of treatment of the mentally afflicted, away from the institutions to the communities. We have a chance to see that these community services reach the communities all over our country. Right now, I think about 40 percent of our population is reached by these centers.

But we also have a chance to see how better to treat these persons when they are in the communities. We now have a better understanding of the problems of alcohol and drug abuse and how related they are and problems of other sometimes acts of violence that are so related to mental health. We have a chance to do great things.

I need every one of you. I need your help. I need the help of your colleagues and your friends.

This is a great day for me. We have a chance to do some great things for our country and for those in our country who are underserved.

Thank you very much.

And now, I want to introduce to you the Executive Director of our Commis-

sion, Tom Bryant. Tom lives in Washington. Since 1972 he has been president of the Drug Abuse Council. I think he has a background and qualifications to be a great Executive Director.

I want to introduce him to you now. Tom Bryant.

MR. BRYANT. As he leaves the room, let me be sure and thank the President.

THE PRESIDENT. When I was first elected, I appointed four people to go out throughout the Nation and see what ought to be done in the field of mental health. [*Inaudible*]

These people who did so much in Georgia—I know it is just typical of people all over the country. There is one thing I found when I was Governor, when I proposed a budget that didn't treat a mental health barrier, I got absolutely run over.

I want to be sure that we treat mental health fairly in this country in the future so that we can work in the initial stages not to ever make another omission or serious mistake.

I am very proud of Rosalynn, and of Tom. The fact that I have to leave early is no indication that I am abandoning this project to begin with. It is part of my life. I guarantee you that you have the best spokesman that anybody ever had for a commission.

NOTE: The President spoke at 2:08 p.m. in the East Room at the White House.

The press release also contained remarks by Executive Director Thomas E. Bryant and Mrs. Carter at a question-and-answer session with reporters.

President's Commission on Mental Health

Executive Order 11973. February 17, 1977

By virtue of the authority vested in me by the Constitution and statutes of the

United States of America, and as President of the United States of America, in accordance with the provisions of the Federal Advisory Committee Act (5 U.S.C. App. I), it is hereby ordered as follows:

SECTION 1. (a) There is hereby established the President's Commission on Mental Health, hereinafter referred to as the Commission, which shall be composed of not more than twenty persons who shall be appointed by the President.

(b) The President shall designate a Chairperson and a Vice Chairperson from among the members.

SEC. 2. (a) The Commission shall conduct such public hearings, inquiries, and studies as may be necessary to identify the mental health needs of the Nation. In particular, the Commission shall seek to identify:

(1) How the mentally ill, emotionally disturbed, and mentally retarded are being served, to what extent they are being underserved, and who is affected by such underservice.

(2) The projected needs for dealing with emotional stress during the next twenty-five years.

(3) The various ways the President, the Congress, and the Federal Government may most efficiently support the treatment of the underserved mentally ill, emotionally disturbed, and mentally retarded.

(4) Various methods for coordinating a unified approach to all mental health and people-helping services.

(5) The types of research the Federal Government should support to further the prevention and treatment of mental illness and mental retardation.

(6) What role the various educational systems, volunteer agencies and other people-helping institutions can perform to minimize emotional disturbance in our country.

(7) As nearly as possible, what programs will cost, when the money should

be spent, and how the financing should be divided among Federal, State and local governments, and the private sector.

(b) The Commission shall submit a report to the President recommending how the mental health needs of the Nation can be met and identifying the relative priority of those needs.

SEC. 3. The Commission shall make a preliminary report with recommendations to the President by September 1, 1977. A final report with recommendations and priorities shall be submitted to the President by April 1, 1978.

SEC. 4. (a) The Chairperson of the Commission is authorized to establish such advisory committees as may be deemed appropriate to carry out the purposes of this Order.

(b) The Commission, and any advisory committees established pursuant to this Order, shall hold such hearings and public meetings as the Chairperson may deem necessary and as required by law.

SEC. 5. The Commission is authorized to request, at the direction of the Chairperson, from any executive department or agency, any information deemed necessary to carry out its functions under this Order. Each department or agency shall, to the extent permitted by law, furnish information and otherwise cooperate with the Commission in performing its functions under this Order.

SEC. 6. The General Services Administration shall provide administrative services and facilities to the Commission on a reimbursable basis.

SEC. 7. (a) Each member of the Commission and its advisory committees and staff who is not otherwise employed in the Government, may receive, to the extent permitted by law, compensation for each day he or she is engaged upon the work of the Commission at a rate not to exceed the maximum daily rate now or hereafter

prescribed by law for GS-18 of the General Schedule, and may also receive travel expenses, including per diem in lieu of subsistence, as authorized by law (5 U.S.C. 5702 and 5703) for persons in the government service employed intermittently.

(b) The Commission is authorized to appoint and fix the compensation of such other persons as may be necessary to enable it to carry out its functions, and is authorized to obtain services in accordance with the provisions of Section 3109 of Title 5 of the United States Code, to the extent funds are available therefor.

(c) All necessary expenses incurred in connection with the work of the Commission shall be paid from the appropriation for "Unanticipated Needs," in the Executive Office Appropriations Act, 1977, or from such other funds as may be available.

(d) Within the limitations permitted by law the Commission has the authority to seek and receive other than government funds to carry out its work.

SEC. 8. Notwithstanding the provisions of any other Executive order, the functions of the President under the Federal Advisory Committee Act (5 U.S.C. App. I), except that of reporting annually to the Congress, which are applicable to the Commission or its advisory committees, shall be performed by the Secretary of Health, Education, and Welfare in accordance with guidelines and procedures established by the Office of Management and Budget.

SEC. 9. The Commission shall terminate sixty days after the transmittal of its final report to the President.

JIMMY CARTER

The White House,

February 17, 1977.

[Filed with the Office of the Federal Register,
1:32 p.m., February 18, 1977]

Democratic National Committee

*Remarks at a Breakfast Meeting of the
Executive Finance Committee.
February 18, 1977*

Good morning, everybody. How are you doing?

We've had a good, almost a month now in office, and I've learned a lot, I have not yet been discouraged about any of the campaign promises that we set forth the last 2 years. I have learned again to appreciate what you have done for me and for our party and for the country, and have felt a growing sense of partnership between the White House and the Congress, on one hand, the White House and you and those that look to you for leadership.

I have begun to appreciate my scientific and engineering and farming and agriculture background. I've also begun to appreciate the 2 years of campaigning that gave me a chance to learn about this country, and also to study some of the issues that have been so rapidly put on me since I took office.

But more than that, I've become confident about the future of our country. The soundness and the stability and the hope and the idealism and the competence of the American people is not easily assessed so well in any other position, I am sure, as it is from the Office of the President.

And I don't ever want to disappoint those who look to me for proper leadership, but I also see the danger of isolating myself from those who can be a constant guide and a constant inspiration to me.

So, I am particularly grateful to come over and meet with you this morning. We share a belief in the principles of the Democratic Party. And I want to make sure that those principles are always clean and decent and open and that we never

forget where our strength is derived—from the American people who don't have much influence, who can't come to Washington for a meeting, who can't participate at the highest levels of either politics or business or the professions or diplomacy, but whose innate commitments in a cumulative way best exemplify what our Nation is and what it ought to be.

This morning, I'd like to mention just a few items that concern business and management and administration. I don't believe that the government can be sensitive to people's needs nor meet those needs effectively unless it is administered well. It's got to be efficient, economical, competent. And the same principles that apply to our own professions or your own business, whether it's in real estate or agriculture or manufacturing, apply to government in my opinion.

I think we are making excellent progress with the Congress in giving me authority to carry out my most important and frequently expressed campaign commitment, and that is to reorganize the structure of the executive branch of Government. I want it to work, and I want it to be so that it can be understood by the American people. I want to root out the influence of special interests. I want to make sure that because someone is powerful or rich or influential that they occupy no special privilege in Government. And in a complex, confused bureaucracy, those who are most influential, most knowledgeable, are the ones who can derive unwarranted privilege or benefit. That's not right.

I am looking forward to the opportunity to work closely with the Congress and with you in getting our Government arranged so that it can be both open and administered well. I am trying to cut down on the number of regulations, guidelines, directives that have always afflicted my life as a farmer and a busi-

nessman and which I know afflict your lives as well. And I am absolutely determined that you are going to be pleased at the number of regulations that we eliminate, simplify, and consolidate.

And there is a growing excitement, not just at the Cabinet level but at the sub-levels of departments that I am visiting almost every day about the chance not only to let your lives be freer and more meaningful but also to reduce the tremendous burden of unnecessary administrative responsibilities that fall on the fine civil servants in this Government who have just one career, one life to live, like yours, and who want to do a good job of serving the American people but quite often have been prevented from doing that by the complexities of government. And I think they are now ready to change.

I've also directed all the Cabinet officers this week to assess thoroughly the number of reports and surveys and forms that come into the Federal Government from you and others, and to eliminate all that are not absolutely essential, to simplify greatly those that are needed, to make less frequent the reports that we have to have on occasion, and to consolidate those reports across governmental agency lines so that the number might be reduced substantially.

We are going to put into effect completely for the fiscal year 1979 budget zero-base budgeting, so that we can assess every year not just programs that are proposed for next fiscal year but on an equal basis assess those programs that have been in effect for the last 5, 15, 20, sometimes 50 years, so we can make sure that next year we spend the money that we have and the human resources that we have, both limited, in the most effective way to meet priorities and needs that are obvious for next year, not what was needed 25 to 50 years ago.

This also permits the good civil servants, the professionals, for the first time to have an integral role to play in the evolution of next year's budget. It won't be derived from the White House or from the Cabinet secretaries' office or from the Office of Management and Budget. The budget proposal will be originated deep within the departments, so that those who have had pent-up hopes that they could do a better job can have a chance to say that.

I want to be sure also that I have the opportunity, through making long-range projections of ultimate costs, and also the elimination of unnecessary expenditures, even some that have been approved 15 or 20 years now, that I can meet my goal of having a balanced budget by the end of this 4-year administration.

Some of the things are going to hurt, perhaps, some of you, and there might be Government commitments that won't be quite so attractive in the future. I am determined to reduce the amount of regulation, not just that that interferes in your administration but perhaps a regulation that protects your business from participating in a free and open and competitive business world. I believe in strong competition, and I am going to try to pursue that.

And the last couple of things that I'd like to mention are these: I am going to be very careful about what I say, but I believe it's better for the American people to know as my decisions evolve on matters that concern them domestically and in foreign affairs.

I intend to have a press conference at least twice a month, and I am trying to probe now for better ways to let American people have direct access to me through fireside chats, through call-in radio programs, and so forth. And we are trying to explore these different

mechanisms to see which ones are successful and which ones are not.

But I want every person in this country who is interested to feel that they can put a question to me, no matter how embarrassing it might be or how difficult to answer, and that I will try to get the answer for them.

Now, I don't claim to know all the answers, that's not the point. But I want to be sure that there is an organic feeling that there is a partnership between the people and their government and not a bridge that has to be crossed nor a wall that has to be scaled.

And I am going to probably make some mistakes, and we are probably going to fumble on occasion, but I will try to make the mistakes on the side of letting the American people know what their government, what your government, what my government is doing. And I believe it's good to discuss these things openly so that when we do make a decision on foreign affairs that might be very difficult to put into effect, it's not just an isolated Presidential voice that speaks, it's not just an isolated Secretary of State's voice that speaks, but it's a voice that speaks with the full knowledge and, I hope, support of the Congress and the American people. I think it will strengthen us in international rounds if other nations know that our whole country speaks and not just the isolated leaders themselves.

I think we've had a bad time with these salary increases. I think the salary increases were warranted, but I think the way it's been done perhaps has caused some additional distrust. I had a meeting yesterday morning with the Ways and Means Committee, and I suggested to them that in the future we not ever let any salary increases go into effect until after the next general election. And I believe that one single change would let us consider necessary increases in salary for

judges, for civil servants, for Members of Congress. I believe the American people would accept it much better.

I think this is one change that ought to go into effect. If we can vote for it, fine, or let it go into effect without a vote, that suits me fine; but not have the change go into effect until after the next general election has taken place.

Let me say this in closing: I didn't come here to teach you; I come here to reassess the relationship that ought to exist between us. We are partners. And I think the greatest thing that I need in the next few months is advice and counsel and instruction and information and tough criticism. Every one of you in this room is a leader in your own community and in your own profession. And I want there to be formed between me and you, using the Democratic National Committee structure as an avenue, or direct, sometimes, even bypassing the Democratic National Committee structure. But I need this very much, and I believe that we can bring to our country a very good quality of leadership to the extent that I can tap the reservoir of experience and intelligence and commitment that you have within you.

We've got an outstanding chairman of the Democratic Party to replace another outstanding chairman. Bob Strauss did an extraordinary job, and Ken Curtis, I believe, is going to equal that outstanding leadership.

And I am very grateful to Jess Hay, who I think exemplifies the finest aspects of business leadership, who also sees a proper relationship between professions and government. And I will try to use both these men and many of you on a constant basis to help me make the right decisions for the greatest country on Earth.

Thank you very much for letting me interrupt your breakfast.

NOTE: The President spoke at 9:01 a.m. in the John Hay Room at the Hay Adams Hotel to members of the Executive Finance Committee of the DNC.

Administrator of Veterans Affairs

Nomination of Max Cleland.

February 18, 1977

The President today announced his intention to nominate Max Cleland to be Administrator of Veterans Affairs. Cleland is a former Georgia State Senator and currently a staff member of the U.S. Senate Committee on Veterans' Affairs.

Cleland was born in Atlanta on August 24, 1942, and grew up in Lithonia, Ga. He graduated from Stetson University in Deland, Fla., in 1964 and won a scholarship to Emory University, where he received an M.A. in American history.

In the fall of 1965, Cleland went on active duty with the United States Army as a communications officer in the Signal Corps. He qualified in 1966 as a paratrooper and became aide-de-camp to the Commanding General of the U.S. Army Signal Center and School at Fort Monmouth, N.J.

In 1967 he volunteered for duty in Vietnam and for 11 months served with the First Air Cavalry Division. He was promoted to captain in April 1968, and shortly thereafter was wounded in a grenade explosion. He received the Bronze and Silver Stars for his Vietnam service.

After 18 months in military and veterans hospitals, Cleland returned to Lithonia, Ga., and was elected to the Georgia Senate in 1970. He was the author of the first legislation making public buildings in the State accessible to the

handicapped. He also authored legislation authorizing State educational assistance for veterans attending school under the GI bill.

In 1972 Cleland was appointed by then Gov. Jimmy Carter to head a special commission established to study the problems of veterans returning to Georgia after service in Vietnam. He ran unsuccessfully for lieutenant governor in 1974, finishing third in a field of 10 candidates in the Democratic primary.

In March 1975, Cleland became a full-time member of the professional staff on the Senate Committee on Veterans' Affairs after serving since 1972 on the national advisory council to that committee.

Cleland was selected as one of the Five Outstanding Young Men in Georgia by the Georgia Jaycees in 1969. In 1973 he was named the Outstanding Handicapped Citizen in Georgia and was awarded the Georgia Easter Seal Society Award of Gallantry. In 1975 he was named an Outstanding Disabled Veteran by the New York Department of Disabled American Veterans.

Director of ACTION

*Nomination of Samuel W. Brown, Jr.
February 18, 1977*

The President today announced that he will nominate Samuel W. Brown, Jr., to be Director of ACTION. Brown is presently treasurer of the State of Colorado.

Brown was born July 27, 1943, in Council Bluffs, Iowa. He received a B.A. from University of Redlands in 1965 and an M.A. from Rutgers University in 1966 and attended Harvard Divinity School in 1966-67.

In 1968 Brown served as the national volunteer coordinator of Eugene McCarthy's campaign for President. Later that year, he served as statewide citizens' coordinator for Gov. Harold Hughes' successful Senate campaign in Iowa.

In December 1968, he was a consultant to the Peace Corps, traveling to India and Nepal. During the next 6 months, he was a fellow of the Institute of Politics of the John F. Kennedy School of Government of Harvard University. Brown founded, coordinated, and led the Vietnam Moratorium in Washington, D.C., in 1969.

The following year, he moved to Denver, Colo. In 1972 he was employed by the Fund for Neighborhood Development as a consultant. He was also a prime organizer of the Citizens for Colorado's Future. In 1974 he was elected treasurer of the State of Colorado.

Brown has been a member of the Board of the Fair Campaign Practices Commission, the Brookings Institution Study on the Presidency, and the Robert F. Kennedy Memorial Foundation. He was also a founding board member of the Council on Economic Priorities, an economic research organization.

He is the author of the book "Storefront Organizing" (1972) and coeditor of "Why Are We Still in Vietnam?" (1970). He has written numerous newspaper and magazine articles.

Digest of Other White House Announcements

The following listing includes the President's daily schedule and other items of general interest as announced by the White House Press Office during the period covered by this issue. Events and announcements printed elsewhere in the issue are not included.

Administration of Jimmy Carter, 1977

February 13

The President returned to the White House after a weekend visit to Plains, Ga., and met with the U.S. Representative to the United Nations, Andrew J. Young, who reported to the President on his trip to Africa.

February 14

The President met at the White House with:

- Zbigniew Brzezinski, Assistant to the President for National Security Affairs;
- senior White House staff members;
- the Cabinet;
- New Hampshire State Senator Robert Fennelly and family;
- a group of representatives of consumer organizations to discuss the need for a consumer protection agency and appointments to regulatory commissions;
- Representative William Lehman of Florida;
- former Representative Bella S. Abzug of New York.

February 15

The President met at the White House with:

- Dr. Brzezinski;
- President López Portillo of Mexico;
- Clark M. Clifford, to discuss his upcoming trip to Greece, Turkey, and Cyprus as the President's personal emissary;
- Secretary of the Treasury W. Michael Blumenthal.

February 16

The President met at the White House with Dr. Brzezinski.

February 17

The President met at the White House with:

- Dr. Brzezinski;

- Representative Al Ullman, chairman, and other members of the House Ways and Means Committee;
- Secretary of Health, Education, and Welfare Joseph A. Califano, Jr., and top-level officials of the Department;
- several members of the White House press corps to discuss some of the problems faced by the press and ways in which the President might better be able to communicate with the American people;
- Gov. Reubin Askew of Florida;
- Democratic members of the House Government Operations Committee;
- representatives of the National Society of Professional Engineers.

In a ceremony in the Cabinet Room, the President received the Boy Scouts of America's annual report to the Nation. The ceremony was attended by a group of Boy Scouts and Explorers and several officials of the organization.

In a ceremony in the Oval Office, the President received diplomatic credentials from Ambassadors Bias Mookodi of Botswana, Alan Philip Renouf of Australia, and Gustavo Ycaza Borja of Ecuador.

February 18

The President met at the White House with:

- Dr. Brzezinski;
- Adm. Stansfield Turner, who has been nominated to be Director of Central Intelligence.

**NOMINATIONS SUBMITTED
TO THE SENATE**

The following list does not include promotions of members of the Uniformed Services, nominations to the Service Academies, or nominations of Foreign Service officers.

Submitted February 14, 1977

DANIEL J. MEADOR, of Virginia, to be an Assistant Attorney General, vice A. William Olson, Jr., resigned.

Administration of Jimmy Carter, 1977

NOMINATIONS—Continued

Submitted February 15, 1977

THOMAS B. ROSS, of the District of Columbia, to be an Assistant Secretary of Defense, vice M. Alan Woods, resigned.

Submitted February 16, 1977

WADE HAMPTON MCCREE, JR., of Michigan, to be Solicitor General of the United States, vice Robert H. Bork, resigned.

BARBARA A. BABCOCK, of California, to be an Assistant Attorney General, vice Rex E. Lee, resigned.

BENJAMIN R. CIVILETTI, of Maryland, to be an Assistant Attorney General, vice Richard L. Thornburgh, resigning.

DREW S. DAYS III, of New York, to be an Assistant Attorney General, vice J. Stanley Pottinger, resigning.

PATRICIA M. WALD, of Maryland, to be an Assistant Attorney General, vice Michael M. Uhlmann, resigned.

JAMES T. MCINTYRE, JR., of Georgia, to be Deputy Director of the Office of Management and Budget, vice Paul H. O'Neill, resigned.

DOUGLAS M. COSTLE, of Virginia, to be Administrator of the Environmental Protection Agency, vice Russell E. Train, resigned.

BARBARA BLUM, of Georgia, to be Deputy Administrator of the Environmental Protection Agency, vice John R. Quarles, Jr.

Withdrawn February 18, 1977

LOWELL BRUCE LAINGEN, of Minnesota, a Foreign Service officer of Class one, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Malta, which was sent to the Senate on January 6, 1977.

JACK B. OLSON, of Wisconsin, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to The Commonwealth of The Bahamas, which was sent to the Senate on January 6, 1977.

DONALD R. NORLAND, of Iowa, a Foreign Service officer of Class one, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Botswana; to the Kingdom of Lesotho; and to the Kingdom of Swaziland, which were sent to the Senate on January 6, 1977.

NOMINATIONS—Continued

Withdrawn February 18—Continued

MALCOLM TOON, of Maryland, a Foreign Service officer of the Class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Union of Soviet Socialist Republics, which was sent to the Senate on January 6, 1977.

JAMES M. WILSON, JR., of Maryland, a Foreign Service officer of Class one, to be Coordinator for Human Rights and Humanitarian Affairs, which was sent to the Senate on January 6, 1977.

J. ROBERT HUNTER, of Virginia, to be Federal Insurance Administrator, Department of Housing and Urban Development, which was sent to the Senate on January 11, 1977.

THADDEUS A. GARRETT, JR., of Ohio, to be a Commissioner of the Consumer Product Safety Commission for a term of 7 years from October 27, 1975, vice Richard O. Simpson, term expired, which was sent to the Senate on January 6, 1977.

PATRICK J. DELANEY, of New York, to be a member of the Securities and Exchange Commission for the term expiring June 5, 1981, vice A. A. Sommer, Jr., which was sent to the Senate on January 6, 1977.

The following-named persons to be members of the Board of Directors of the Corporation for Public Broadcasting for terms expiring March 26, 1982, which were sent to the Senate on January 10, 1977:

CHARLES H. CRUTCHFIELD, of North Carolina, vice Robert S. Benjamin, term expired.

LESLIE N. SHAW, of California, vice Virginia Bauer Duncan, term expired.

PAUL M. STEVENS, of Texas, vice Jack Wrather, term expired.

The following-named persons to be Directors of the Securities Investor Protection Corporation for the terms indicated, which were sent to the Senate on January 11, 1977:

For a term expiring December 31, 1977:

F. BARTON HARVEY, JR., of Maryland, vice Henry W. Meers, term expired.

For a term expiring December 31, 1978:

J. W. VAN GORKOM, of Illinois (re-appointment).

H. C. PIPER, JR., of Minnesota, vice Glenn E. Anderson, term expired.

Administration of Jimmy Carter, 1977

NOMINATIONS—Continued

Withdrawn February 18—Continued

The following-named persons to be members of the Board of Regents of the National Library of Medicine, Public Health Service, for the terms indicated, which were sent to the Senate on January 6, 1977:

For a term expiring August 3, 1978:

JULIO E. FIGUEROA, of Louisiana, vice John Phillip McGovern, term expired.

FRANCIS X. SCANNELL, of Michigan, vice J. Stanley Marshall, term expired.

For a term expiring August 3, 1979:

NEVA MARTIN ABELSON, of the District of Columbia, vice Susan N. Crawford, term expired.

CHARLES HUGGINS, of Illinois, vice Bernice M. Hetzner, term expired.

For a term expiring August 3, 1980:

CLARA M. AMBRUS, of New York, vice Ethel Weinberg, term expired.

JOHN A. HILL, of Connecticut, vice William H. Hubbard, Jr., term expired.

The following-named persons to be Associate Judges of the Superior Court of the District of Columbia for terms of 15 years, which were sent to the Senate on January 10, 1977:

ANNICE McBRYDE WAGNER, of the District of Columbia, vice Theodore R. Newman, Jr., elevated.

ROBERT ALAN SHUKER, of the District of Columbia, vice Harry T. Alexander, retired.

ROBERT McCANCE SCOTT, of the District of Columbia, vice Richard R. Atkinson, retired.

EDWIN C. BROWN, JR., of the District of Columbia, vice George W. Draper II, deceased.

The following-named persons to the positions indicated, which were sent to the Senate on January 6, 1977:

LOUIS F. POLK, of Ohio, to be Chairman of the United States Metric Board for a term of 6 years (new position).

To be members of the United States Metric Board for the terms indicated (new positions):

For a term of 2 years

HAROLD M. AGNEW, of New Mexico

SYDNEY D. ANDREWS, of Florida

ANDREW H. KENOPENSKY, of New Jersey

ADRIAN G. WEAVER, of Connecticut

VIRGINIA H. KNAUER, of Pennsylvania

NOMINATIONS—Continued

Withdrawn February 18—Continued

For a term of 4 years

VALERIE ANTOINE, of California

CARL A. BECK, of Pennsylvania

RALPH V. DURHAM, SR., of North Carolina

W. E. HAMILTON, of Illinois

HARRY E. KINNEY, of New Mexico

For a term of 6 years

FRANCIS R. DUGAN, of Ohio

FRANK HARTMAN, of Michigan

JAMES D. McKEVITT, of Colorado

JERRY J. McREAL, of Oregon

SATENIG S. ST. MARIE, of Connecticut

KENYON Y. TAYLOR, of Illinois

**CHECKLIST OF WHITE HOUSE
PRESS RELEASES**

The following releases of the Office of the White House Press Secretary, distributed during the period covered by this issue, are not included in the issue.

Released February 18, 1977

Announcement: exception granted by the Attorney General to Assistant Attorney General-designate Benjamin R. Civiletti, under the President's conflict-of-interest and financial guidelines.

**ACTS APPROVED BY
THE PRESIDENT**

Approved February 16, 1977

H.J. Res. 227----- Public Law 95-3
A joint resolution making urgent power supplemental appropriations for the Department of the Interior, Southwestern Power Administration for the fiscal year ending September 30, 1977, and for other purposes.

S. 649----- Public Law 95-4
An act to authorize payment of salaries of certain members of Senate committee staffs at the rates paid to them on January 4, 1977.

Approved February 17, 1977

S.J. Res. 10----- Public Law 95-5
A joint resolution to extend the period of time in which the American Indian Policy Review Commission must submit its final report and to increase the authorization of appropriations for such Commission.

PRESIDENTIAL DOCUMENTS

Week Ending Friday, February 25, 1977

Department of the Interior

Remarks and a Question-and-Answer Session With Department Employees. February 18, 1977

SECRETARY ANDRUS. *Thank you very much, ladies and gentlemen.*

Good morning, fellow employees of the Department of the Interior. It gives me a great deal of pleasure to introduce to you the man who won the hearts and the votes of America because he cared about America. He cares about the people. He cares about the environment. He cares about the world.

Ladies and gentlemen, I give you the President of the United States.

THE PRESIDENT. Thank you, everybody.

Well, first of all, it is a great pleasure to be over here because, as I told a group outside, if I had my choice of any Cabinet post, I would prefer to be Secretary of the Interior. That is why I chose my best friend to be in this job. But between the Cabinet and the White House, I would choose the White House.

ADMINISTRATION POLICIES

I don't think anything has been more reassuring to me nor more gratifying than my trips to meet with the distinguished public servants of our major depart-

ments. And concentrated within your own Department here is a focusing of inherent, very difficult questions that must be addressed now and in the future: how to preserve and still use the precious resources with which our Nation has been blessed; how to deal with humanitarian concerns of American Indians and others; how to preserve the beauty of nature and enjoyment of human beings in a time of recreation; how to inventory what we have now and what we might have in the future; how to deal with the growing questions of energy, of conservation; and how to make sure that we don't destroy what is so precious to us all because of the pressure of transient needs.

Every one of those items that I mentioned, and there could be many more, require a great deal of common sense, technical knowledge, experience, and ability and sensitivity, and that is why to me it is so exciting to observe the present and future status of that decisionmaking process within your own Department.

I have traveled perhaps as much as anyone has ever done in my own campaign for President the last 2 years. I have seen the beauty of America, and I have seen the gratifying achievements of our country, and I have seen the challenges and disappointments of our Nation as well. And I want to be sure that you feel an intense and personal partnership with

me and with Cecil Andrus as we make decisions for which you are directly responsible.

I don't claim to know all the answers. I have been on the job still not quite a month. I've got a lot to learn. I want to do a good job, and I think the degree to which I am successful will depend upon you and your attitude about your opportunity for service to our country.

I am grateful to be President, but I am no better than any one of you, and I feel such an intense sense of partnership. I need your advice and your counsel and your criticisms, and I need for you always to feel that by the avenue from you to me is not one that is blocked by bureaucratic structure. It is time for change. I want to be sure that our Government is more economical and efficient, better organized, better administered, more competent. At the same time, I want to make sure that our Government is closer to the people and more sensitive to their needs; that we can correct a sense of fear or despair or alienation or disappointment or prejudice or hatred, and substitute for those characteristics the national inclination of the people of this country.

We have been through hard times in the last number of years both economically and politically. Most of the mistakes that have been made were not made by you, and they were not made by the vast majority of the American people. But we who serve in Government, no matter if we have been here a month or 40 years, no matter if we are a brand new filing clerk or President of the United States, we are, to the people of our country, the Government. And to the extent that we serve them well, our people will be proud of their own Nation as exemplified by the Government. To the extent that we fail, we create a very devastating chasm between people in a democracy and the government that should be of the people.

I want to be sure that we elevate substantially the status of concern of American Indians. And I believe that we ought to have the status in the bureaucracy in our Nation at least at the Assistant Secretary level. And I believe that this is a change that can very well be made.

I want to be sure that in the future our National Park System doesn't suffer any more from a lack of maintenance and upkeep and proper allocation of funds, and also from a proper allocation of personnel services. And we have been working very closely, Cecil Andrus and I, with Ray Marshall and others to make sure, as we consummate the economic stimulus package, that additional work opportunities might be granted within the National Park System. We are just exploring the broad reaches of Alaska, where the most beautiful scenery on Earth exists. We want to make sure that it is never destroyed, but we also want to make sure that the American people have a chance to enjoy it.

I think we will see in the next few weeks a strip mining bill passed finally. We know that we need to protect the mountainsides of Appalachia and the West as we mine for coal, but the hard-rock mining is also a great problem. And I don't want to see America's beauty destroyed in compliance with the hope for additional profits from those who in the past have not been adequately sensitive to our needs.

I want to be sure also that this Department, which has such a complete knowledge, is intimately involved in the evolution of a national energy policy. We are the only developed nation in the world that doesn't have a long-range policy on the utilization and preservation of energy resources, and by April 20 we hope to come out with a comprehensive proposal for the first time. And obviously this, at the present time, is the most important agency of all in that respect.

Dr. Schlesinger and Cecil Andrus have spent hours delineating properly the responsibilities as they relate to energy. We anticipate the creation of a new energy department and we will make this proposal to the Congress no later than the first of March.

I am interested, as a businessman and as an ancient scientist, in the proper management of my own responsibilities and in the reorganization of the Government and the preparation of zero-base budgeting techniques, personnel management, electronic data processing. I want to make sure that we make it easier for you to expend your own professional careers in a much more effective way.

This will involve you directly, and it is very important that you respond in an attitude of enthusiasm and vision. If things of the past have been good, let's preserve them. If there is a better way to do things for the people of this country, let's not be reluctant to change.

In the area of water resources, the construction of dams, and other projects, I want to be sure that in the future these projects are assessed on the basis of modern economic circumstances and that we inject into the process of authorization for existing and future projects the very important characteristic of conservation and environmental quality. I hope that we can start a program which is similar to the one that I had in Georgia, called the Heritage Trust, to inventory the precious places in our country in a systematic way and to move working with private and local and State agencies to establish those that are of highest priority, and to make sure that they are preserved for future generations.

I could go on and on listing things that come to my mind as I stand here about the responsibilities of your own Department. But I think in order to make this meeting more productive for you and

more enjoyable for me, I won't continue with other remarks, except I would ask you now if you have any questions that you would like to ask me. Cecil Andrus is close and I will let him answer the questions that I can't answer myself.

Does anyone have a question?

QUESTIONS

TELEVISION AND THE DEAF

Q. Most deaf people are very interested in the TV call-in program, which allows for a jab at you. How do you feel about using Channel 21 for that purpose? [*Inaudible*]

THE PRESIDENT. Very fine, thank you. [*The President communicated in sign language.*] Just so you don't confuse me with Nelson Rockefeller, that means I love you. [*Laughter*]

When I have made by inauguration speeches and when I have been around to visit with the departments, I have always requested through my staff that interpreters might be present to speak to those who are deaf.

I think that perhaps in response to your question I could direct a letter to the leaders of all the television networks in the country and ask them to make a special effort in the future to open up to the deaf people of our country a way to understand the program. So, before the day is over, this letter will be in the mail to those network executives.

FEDERAL EMPLOYMENT OF INDIANS

Q. Mr. President, the 94th Congress passed a bill, H.R. 5465, which provided for early retirement of non-Indian Bureau of Indian Affairs employees. The major objective of that legislation was to allow the Indian people to more fully direct the operations of the key governmental activities which so vitally affects their daily lives. This legislation, supported by the

National Congress of American Indians and Indian tribes throughout the country, was vetoed by President Ford.

Mr. President, that bill has been reintroduced already in the 95th Congress as S. 666. Mr. President, will you support passage of that legislation and will you sign it into law if it is passed by the Congress?

THE PRESIDENT. I am not familiar with the legislation. But I will say this: My strong inclination is to make sure that we have more native Americans occupying high positions of authority within the Government and in the administration, particularly of the affairs of American Indians themselves. If the legislation is designed so that there is no punitive aspect for those who are not Indians who have been in these positions, I would certainly favor it and also sign it.

One of the campaign commitments that I made was that in the filling of top positions that I would be sure that those who are responsible for Indian affairs would be either American Indians or recognized nationally by the American Indian tribe leaders, who are the spokesmen for the Indian people, as being thoroughly conversant with Indian problems and completely dedicated to their solution. I would hope that we could establish a major position even more exalted in importance within this Department for Indian affairs.

So, with that one caveat, that we can't be punitive to those who have been in the Federal Government for a long time, I would favor the bill, and I believe that I would sign it.

If you will let me have a chance to read it, I will get the answer back to Cecil Andrus for you specifically. I just hate to say yes glibly when I haven't read the legislation itself.

Q. Thank you, Mr. President.

HEALTH AND SAFETY PROGRAMS

Q. Mr. President, my name is Jimmy McGee, the Safety Manager from the Fish and Wildlife Service. I have a question and also a concern, not only my own but for all of my fellow safety managers throughout the Interior and United States Government.

You are aware of the existing legislation, the Occupational Safety and Health Act, and the Executive orders from your predecessor have made great strides to bringing safety and health to our Federal employees. However, my concern is, I felt that in the last 4 years, we reached a plateau and what is necessary is more stringent direction from you to the heads of all Government agencies and to their operating top management making them aware of their responsibility and accountability for the safety and health of our fellow employees. However, along with that must come the necessary manpower ceilings and funding necessary to abate these hazardous health and safety hazards throughout the Government.

Do you plan to address the safety and health movement within the Government, and can we expect additional support and funds to abate these unsafe and unhealthy conditions?

THE PRESIDENT. I have already had a meeting with Secretary of HEW, Mr. Califano, and with the woman whom he has chosen to administer the OSHA program. I believe that this is one of the better programs that the Congress has ever passed and has been put into effect in our country. It has been circumvented to some degree in its effectiveness by the building up of animosities and a state of combat between many employers who are concerned about their employees on the one hand and the field administrators of the OSHA program on the other hand.

One of the things I have already directed the future OSHA administrator to do is to have hearings around our country to let employers and employees come and express their dissatisfaction and their recommendations for improvement in the administration of this worthwhile program.

This would also, obviously, apply to Federal employees as well. If we can get a spirit of enthusiasm and cooperation on the part of the employers instead of a feeling of obstinacy and animosity on their parts, I believe that it will take much fewer administrators and much less regulation promulgation to accomplish the same ends.

So, I hope to accomplish your goals, provide better protection for Federal and other employees with lesser amount of ill-advised pressure because of the detailed administration of this program. I believe that this is a good hope and Joe Califano and the future administrator both agree with me.

I have also met with groups of business people. And I think that their receptivity to the OSHA concepts will be a major factor in its enforcement in the future. And I believe that the same aspects of support that in the past have sometimes been missing from Federal employers, from the Secretary level on down, would greatly minimize the need for pressure.

So, what I am saying is that with the existing program, which is good, better cooperation from employers and employees can make the administration easier, more effective for a given level of cost and personnel focusing.

FEDERAL TAX REBATE

Q. Mr. President, can you please tell me how the figure \$50 was decided upon for the tax rebate, and when can we expect to receive the check?

THE PRESIDENT. Okay. Well, I understand that if you make more than \$25,000 you are not going to get the \$50 refund, so you might miss out on it. I will explain it very quickly to you.

We tried to assess first of all whether or not we needed to stimulate our economy. And the almost unanimous decision by economists and myself was yes. Because we are in a state of stagnation at this time, we have a very high level of unemployment, about 8 percent, the last quarter we only had a 3 percent increase in our gross national product on an annual basis, and we've had inflation hanging at 5 percent or more for a number of years. So in order to get our economy off dead center and moving again in a healthy way, we decided that we need some economic stimulation.

The second decision was how much. We decided that a \$30 billion stimulation package was about right. We very carefully wanted it to be consistent and predictable. So, we decided about \$15 billion in 1977 fiscal year, and the 1978 fiscal year would be better, instead of concentrating it all in one year. Next, we tried to figure out how, with the inertia of programs and the difficulty of getting them built up rapidly, we could give that much stimulation this year.

The only feasible way that I know is a direct tax rebate. And the amount that we decided on was about \$12 billion, I think \$11.7 billion. When that amount of money is divided among those who pay taxes and who receive AFDC payments, who are veterans who have been deprived in the past, it works out to about \$50 per person.

Most people get the \$50 per person or some will get less if their incomes are very high. It depends on when the Congress passes the law as to when you will get the check. If the Congress should pass the law

prior to the end of this month, then the checks could go out no later than April. If the law is passed next month, then the checks will go out in May.

That is as quickly as the computers can be assessed and the envelopes can be addressed and the checks can be printed. But I think this will give us a very good reduction in our income taxes. I computed for my fireside chat that an average family in this country making \$10,000 a year would have their 1976 taxes reduced by this mechanism—about 30 percent. So, a 30-percent tax reduction for last year is a very healthy stimulation for our economy. And the permanent tax changes that we propose means that your this year's taxes, if you are in that \$10,000 bracket, will be reduced about 20 percent.

I favor this tax reduction effort on a one-shot, stimulative basis with a tax rebate and also on a continuing basis with simplicity and more fairness in the income tax structure. By the end of September this year we will have ready for the Congress a comprehensive revision of our entire income tax code which will make it simpler and also more fair. But we want to do it in a hurry and that is why the \$50 rebate figure came into being.

EQUAL EMPLOYMENT OPPORTUNITY

Q. Mr. President, there have been considerable discussions about centralizing the equal opportunity effort into one large agency. We would like to know what considerations has your administration given to this proposal and, more importantly, what do you feel will be the thrust of equal opportunity during your administration?

THE PRESIDENT. At the present time, we have, I believe, seven agencies in the Federal Government responsible for equal opportunity. They are fragmented; they are not well administered; and they have been ineffective. I believe very

deeply in the concept of equal opportunity. I don't think anyone ought to be cheated because they happen to be black or Indian or speak a foreign language or because they are a woman. And I feel a direct responsibility on my shoulders to take leadership in this effort.

At the top management level, as you probably have observed, we have made excellent progress. Some of the departments of Government have also made excellent progress in the past. There will be more in the future. But I would put this as one of my first proposals under reorganization authority to bring those enforcement agencies together.

We now have more than 130,000 backlogged cases resulting from complaints about discrimination. It takes an average of about 3 years to bring one case to a decision point and, as you well can see, by the end of 3 years the employee may have changed jobs, the witnesses have moved off to another community, and there is just a breakdown in the administration of this law.

So, along with reorganization of my own agency, the Executive Office Building, and a few others, this will be at the top of my list for a clarification of responsibility. And I will try to appoint someone to head up the EEOC or whatever agency does derive from this reorganization who will be as dedicated as I am to ensuring that discrimination is ended in our Government.

FEDERAL PARK LANDS

Q. Mr. President, I am with the National Park Service. In your speech I heard you say that Alaska has one of the most beautiful parks, so on behalf of all the employees of the Prince William Forest Park I would like to extend to you an invitation to the second most beautiful park.

THE PRESIDENT. Thank you very much. I wouldn't want to put Alaska ahead of the Okefenokee Swamp in Georgia. But I think, of all the untapped places in the world, there is no place more beautiful than Alaska. I think that obviously is an oversimplification in describing the beauty of our Nation because every single aspect of our Nation that has been preserved by this Department is precious. And the marshlands of Georgia and the Rocky Mountains and the other parks that we have are equally as important, but in the unexplored regions of human enjoyment, I think Alaska is a precious possession.

THE MIDDLE EAST

Q. I would like to ask you how do you feel about the Middle East situation, and do you think that peace will ever come? The reason I am asking is because I have faith in your administration after hearing the news this morning about you cutting the CIA money from King Hussein.

THE PRESIDENT. Thank you very much. Well, I don't want to mislead you in thinking that I, as President, or anyone else who would be in the White House, can resolve the Middle Eastern question simply or quickly. It is a very complicated problem. It has been there for years and years, more than 30 years, and the differences of opinion are deep.

We don't want to try to exert an improper, outside pressure on the nations of the Middle East to resolve their differences for them. Even if we had the political and military means to do this, it would be an uneasy peace and a temporary circumstance, so the only way to do it is to have it done among those who live there.

As you know, I have just dispatched Secretary Vance to go to the Middle East. He has already talked to Mr. Rabin, yesterday he was with Mr. Sadat. He will go to Syria. He will go to Saudi Arabia, to

Jordan, and to Lebanon very quickly, and then come back to report to me on what the prospects are for a common agreement on questions that so far have not yet been resolved.

I would hope that later on this year that we could reconvene those parties at Geneva. The Soviet Union and our country will be cochairmen of that conference. Based on, I hope, a mutual search for peace among those nations, we might be the stimulating factor that could bring about a resolution of the questions.

I am very deeply dedicated to this. I think that, because of the intense interest in solving the Middle Eastern question, this might be the good year for it. But I cannot predict with any assurance that we will be successful. I put in a lot of my own personal time in studying the questions that have been raised. Every day when I get back a report from Secretary Vance by cable, I very carefully have my staff log the attitudes of the different leaders who represent their nations to see if I can understand compatibility among them and what the remaining differences might be.

The last point I would like to make is this: We are inviting the leaders of the Middle Eastern nations to come over here to our country this year as soon as possible to discuss those problems directly with me as President. I think, whether or not we deserve such a position, our own country has got to be the focal point for the resolution of many of these differences.

This is not something that I have caused, but it is an attitude that exists among the leaders of Egypt and Israel and Syria and Saudi Arabia and Jordan and Lebanon. They look to us to be kind of a place through which they can channel ideas and through which we might act as a mediator. But the major responsibility is among the people who live

there. We will do the best we can. This year is the brightest hope for peace that I remember. And although I can't guarantee any success, it is a major priority for us, for our potential adversaries like the Soviet Union, and for the whole world, because the Middle Eastern situation could explode at any time in the future, and I want to be sure that we do our best to avoid such a consequence.

ENERGY REORGANIZATION

Q. Mr. President, I am with the International Data Analysis Section of the Bureau of Mines. In your plans to reorganize the Government, do you contemplate simply a Department of Energy or is it to be a Department of Energy and Natural Resources, and if it is to be a Department of Energy and Natural Resources, what impact would this have on the Interior Department?

Also, in many countries in Latin America and around the world, natural resources under the ground and offshore belong to all of the people. They are considered a national patrimony or *Patrimonium nationale*. Do you feel it would be necessary to have a similar law in this country which would guarantee more effective control over our natural resources and more assurance that we would have environmental control?

THE PRESIDENT. Thank you very much. We will present to the Congress and to the American public by the end of this month our proposals on the future Department of Energy. My inclination is that it be a Department of Energy. The Congress may decide to name it differently. The basic thrust of this new department will be to make long-range plans and policies for the utilization of energy resources which are now under the control of the Department of the Interior. Those policies and plans would be ap-

proved by me, by Dr. Schlesinger, by Cecil Andrus, and then the actual leasing of lands or undersea areas would be decided by the Department of the Interior.

I don't think it is appropriate, nor am I qualified at this point, to spell out in any detail the division of responsibility that will exist between Interior and Energy, but I can tell you that the agreement has been reached harmoniously by Dr. Schlesinger and Cecil Andrus. And I believe that you will be pleased when you see the results of our deliberations.

As far as the public ownership of lands and areas of special importance, as you know, our Federal Government owns a great quantity of land in this Nation already. Many of the people of the States also have control over natural areas. The marshlands of Georgia, for instance—about 600,000 acres are owned by the people of Georgia. And even though the Federal Government has no interest in them, legally speaking, it is a joint protective capability that we share between the Federal and State governments. I hope that we can extend this protective capability by the Heritage Trust program that I've just described to you, where precious land areas, whether they be important archeologically or geologically, or because it is a natural area or because of some other historic reason, might be acquired by the Federal Government, starting with the ones of highest priority first, the ones that are most in danger of being destroyed, and then working down the list as funds become available.

So, the concept of ownership as you have described suits me fine. I think the mechanisms that I've described to you will be adequate. But I think you need not be concerned about the reorganization proposal. It will be a good move in the right direction, but I think that Secretary Andrus can vouch for the fact that

the integrity of the Interior Department and your ability to protect these precious resources will be preserved when our proposal goes to the Congress.

I have been told that this is all the questions I can answer. As you probably have noticed, I don't claim to know answers to all the questions. I think they range in such a broad spectrum, all the way from public ownership of lands that we don't now control to the right of deaf people to see and understand a program on television.

I have been impressed since I have been in office, now for almost a month, with the tremendous strength of this country. I have also been impressed with the need for a close relationship between myself and you. I can't do anything alone. And to the extent that I fail to tap the tremendous reservoir of ability and talent and experience that exists among you, I can't be successful.

I want to be a good President. I want you to feel supportive of the proposals that we put forward, but I particularly understand that, unless you are involved in the preparation of those proposals, they don't deserve your full support and that we will be making a very serious mistake. So, I want our Government to be well managed. I want it to be open. I want it to be sensitive. But I want us also to leave this meeting at least with a sense of equal partnership among you and me, your Secretary and others.

I believe in that way we can guarantee that our own public service will be a major factor in the proper governance of the most beautiful and the best nation on Earth.

Thank you very much.

NOTE: The President spoke at 11:20 a.m. in the Department's auditorium conference hall, after touring the Bureau of Indian Affairs.

United States-European Economic Community International Fishery Agreement

*Message to the Congress Transmitting
the Agreement. February 21, 1977*

To the Congress of the United States:

In accordance with the Fishery Conservation and Management Act of 1976 (P.L. 94-265; 16 U.S.C. 1801), I transmit herewith a governing international fishery agreement between the United States and the European Economic Community, signed at Washington on February 15, 1977.

This Agreement is significant because it is one of a series to be negotiated in accordance with that legislation. I urge that the Congress give favorable consideration to this Agreement at an early date. Since 60 calendar days of continuous session as required by the legislation are not available before March 1, 1977, I strongly recommend that the Congress consider amendment of the "Fishery Conservation Zone Transition Act" in order to incorporate this Agreement within its overall provisions.

JIMMY CARTER

The White House,
February 21, 1977.

United States-Japan International Fishery Agreement

*Message to the Congress Transmitting
the Agreement. February 21, 1977*

To the Congress of the United States:

In accordance with the Fishery Conservation and Management Act of 1976 (P.L. 94-265; 16 U.S.C. 1801), I transmit herewith a governing international

fishery agreement for 1977 between the United States and Japan, signed at Washington on February 10, 1977.

This Agreement is significant because it is one of a series to be negotiated in accordance with that legislation. I urge that the Congress give favorable consideration to this Agreement at an early date. Since 60 calendar days of continuous session as required by the legislation are not available before March 1, 1977, I strongly recommend that the Congress consider amendment of the "Fishery Conservation Zone Transition Act" in order to incorporate this Agreement within its overall provisions.

Also transmitted for the information of the Congress is a governing international fishery agreement between the United States and Japan for 1978-1982 initialled at Washington on February 10, 1977. This Agreement will be resubmitted for favorable consideration following its signature by the United States and Japan later this year.

JIMMY CARTER

The White House,
February 21, 1977.

United States-Republic of Korea International Fishery Agreement

*Message to the Congress Transmitting
the Agreement. February 21, 1977*

To the Congress of the United States:

In accordance with the Fishery Conservation and Management Act of 1976 (P.L. 94-265; 16 U.S.C. 1801), I transmit herewith a governing international fishery agreement between the United States and the Republic of Korea, signed at Washington on January 4, 1977.

This Agreement is significant because it is one of a series to be negotiated in

accordance with that legislation. I urge that the Congress give favorable consideration to this Agreement at an early date. Since 60 calendar days of continuous session as required by the legislation are not available before March 1, 1977, I strongly recommend that the Congress consider issuance of a joint resolution in order to bring this Agreement into force by that date.

JIMMY CARTER

The White House,
February 21, 1977.

United States-Spain International Fishery Agreement

*Message to the Congress Transmitting
the Agreement. February 21, 1977*

To the Congress of the United States:

In accordance with the Fishery Conservation and Management Act of 1976 (P.L. 94-265; 16 U.S.C. 1801), I transmit herewith a governing international fishery agreement between the United States and Spain, signed at Washington on February 16, 1977.

This Agreement is significant because it is one of a series to be negotiated in accordance with that legislation. I urge that the Congress give favorable consideration to this Agreement at an early date. Since 60 calendar days of continuous session as required by the legislation are not available before March 1, 1977, I strongly recommend that the Congress consider amendment of the "Fishery Conservation Zone Transition Act" in order to incorporate this Agreement within its overall provisions.

JIMMY CARTER

The White House,
February 21, 1977.

Department of the Navy

Nomination of R. James Woolsey To Be Under Secretary. February 21, 1977

The President today announced that he will nominate R. James Woolsey to be Under Secretary of the Navy. Woolsey is associated with the firm of Shea and Gardner in Washington, D.C.

He was born in Tulsa, Okla., on September 21, 1941. He received a B.A. from Stanford University in 1963. He attended Oxford University on a Rhodes scholarship from 1963 to 1965 and received an M.A. He received an LL.B. from Yale Law School in 1968, where he was managing editor of the Yale Law Journal.

In 1968 Woolsey became associated with the firm of O'Melveny & Myers in Los Angeles. He received a reserve commission in the U.S. Army through the ROTC program and entered on active duty in August 1968, serving until August 1970 as a program analyst in the Office of the Secretary of Defense, and as an adviser on the U.S. Delegation to the Strategic Arms Limitation Talks in Helsinki and Vienna, 1969 to 1970.

From September 1970 to December 1970, Woolsey was assigned from the Department of Defense to the Program Analysis Office of the National Security Council staff.

Woolsey was general counsel to the U.S. Senate Committee on Armed Services from December 1970 until December 1973, when he joined the firm of Shea and Gardner.

He is a member of the Council on Foreign Relations and of Stanford Associates. He served as a trustee on the Stanford University Board of Trustees from 1972 to 1974.

Woolsey is married to the former Suzanne Haley. They have two sons and reside in Chevy Chase, Md.

Water Resource Projects

Message to the Congress. February 21, 1977

To the Congress of the United States:

During the campaign I committed myself to a prudent and responsible use of the taxpayers' money and to protection of the environment. Today I am announcing a major review of water resource projects which will further both commitments.

Water development projects have played a critical role in developing the economy of this nation. But many of the 320 current projects approved in the past under different economic circumstances and at times of lower interest rates are of doubtful necessity now, in light of new economic conditions and environmental policies. At this point, based upon information thus far developed by the Council on Environmental Quality, the Office of Management and Budget and the Interior Department, I have identified 19 projects which now appear unsupportable on economic, environmental, and/or safety grounds. I have attached a list of these projects. I am recommending at this time that no funds be provided for these projects in FY 1978.

I am instructing Secretary of the Interior Andrus and Secretary of the Army Alexander, working together with the Office of Management and Budget and the Council on Environmental Quality, to carry out a complete evaluation of these 19 projects and of all other water resource projects and to develop comprehensive policy reforms in this critical area. They will report back to me and to the Congress by April 15.

This review will give us the necessary facts upon which to make certain that only projects which are economically and environmentally sound will receive final approval. The FY 1978 budget reductions

for the deleted projects amount to \$289 million. Total potential savings from these deleted projects would amount to \$5.1 billion.

I look forward to working closely with Congress to develop a coherent water resource policy.

We must work together to achieve our national goals of adequate water supplies, a sound transportation system and needed flood protection. In doing so, we must make certain that our investments are cost-effective, that the cost burdens are equitably borne, and that the environment is protected.

JIMMY CARTER

The White House,
February 21, 1977.

WATER PROJECTS DELETED FROM
FY 1978 BUDGET

(Alphabetical by State)

Corps of Engineers

Cache Basin (Arkansas)
Richard B. Russell Project (Georgia)
Freeport (Illinois)
Grove Lake (Kansas)
Dayton (Kentucky)
Paintsville Lake (Kentucky)
Yatesville Lake (Kentucky)
Atchafalaya River & Bayous Chene, Boeuf & Black (Louisiana)
Dickey-Lincoln School Lakes (Maine)
Meramec Park Lake (Missouri)
Lukfata Lake (Oklahoma)

Bureau of Reclamation

Central Arizona Project (Arizona)
Auburn-Folsom South, Central Valley Project (California)
Dolores (Colorado)
Fruitland Mesa (Colorado)
Savery-Pot Hook (Colorado, Wyoming)
Garrison Diversion Unit (North Dakota, South Dakota)
Oahe Unit (South Dakota)
Central Utah Project, Bonneville Unit (Utah)

Visit of Prime Minister Pierre Elliott Trudeau of Canada

*Remarks of the President and the Prime Minister at the Welcoming Ceremony.
February 21, 1977*

THE PRESIDENT. *To Prime Minister Trudeau and his beautiful wife, Margaret, to the people of Canada who come to be with us this afternoon, and to all of our own welcomers who have come here on this occasion to make our neighbors feel at home:*

I am very grateful to be here, to welcome to the White House and to our country a man who shares with me the tremendous friendship that has always existed between the United States of America and the people of Canada to the north.

We share a common border, more than 5,000 miles. We share a common defense of our own people. We share the human and natural resources of an entire continent. We share a great respect and friendship for each other. We share a commitment to human decency and to personal freedom. We share a historical belief in the principles of democracy, and these principles have been tangibly demonstrated by our Governments for generations. And we share a common commitment to world peace.

Canada is our most important trade partner. We have many common purposes and common concerns, common problems, and also the potential for common solutions to those problems. This next 2 days I will spend with Prime Minister Trudeau, and he will have a chance to visit with our top officials and to let the Canadian officials share these discussions. We will be talking about defense and peace. We will be talking about the world

economy and our Nations' great contribution to that economy.

Prime Minister Trudeau has been recognized for many years as one of the developed nations' leading negotiators and understanders of the problems of the developing nations of the world. Because of his commitment to humanitarian purposes, he has the trust and confidence of people who are not quite so fortunate as are we. He is a senior statesman of the North Atlantic Treaty Organization, having been in office now for more than 8 years. And his common and unique and persistent commitment to the principles of the democratic nations of the world has made him a leader even from the first days when he was in office.

He made a comment recently that I think is important for all of us to remember, which typifies his own attitude toward human beings. He said it is not enough to measure a nation's product in our gross national financial product, but we should think about the outcome and the output of our Nation on the basis of a net human benefit, how well the people find a better life because of the activities and decisions of government.

So, because of all these reasons, in a personal way and as a leader of our great Nation, I want to welcome to our country Prime Minister Trudeau and his wife, Margaret.

Welcome, Mr. Prime Minister.

THE PRIME MINISTER. *Mr. President, Mrs. Carter, and American friends:*

First, I wanted to tell you, Mr. President, that I brought the greetings of some 22 million Canadians. But I see that by the flags over on the lawn there that a lot of them have preceded me here. The greetings are warm nonetheless.

I want to tell you, also, that we bring you our great, good wishes as you assume

the very arduous, important office of President of this great Nation.

Canadians are looking forward to this period of good relationships with you at the head of this great Nation. With your dedication, your hard work, your discipline, your sense of morality, we feel that these are great days for our relationship and for the world.

We are particularly grateful and honored, sir, that you invited your North American neighbors very early in the term of your office. I am sure I can speak for President López Portillo—I certainly speak for myself and for Canadians—when I say that we have great expectations that this continental neighborhood will flourish and develop because of the great personal interest you have shown in it.

The links between our countries are so numerous, the cooperation that we are involved in is so deep that this kind of meeting is as natural as it is friendly. As I look through the enormous briefing books that I had, sir, and I am sure it happened to you, too, I just felt that there is perhaps nothing that our countries can do which doesn't involve one another. There are so many associations, so many committees, so many clubs, so many links between us of all kinds that I believe they are absolutely legion. I tried to get a count and I was told it wasn't possible. And I can well understand it.

We have been such old friends and our links are so deep that this number of associations together can only rest on the deep friendship between our peoples.

The International Women's Year, sir, has only passed in history for 14 months now. It seems that our wives, Mrs. Carter and Margaret, have already met and established a good agenda for the discussions. You and I are only meeting this moment. But I am quite convinced that

we will, in a friendly way, rivalize with their achievements and catch up to their friendly relations.

I want to thank you, sir, for your very warm hospitality to all the visiting Canadians and to have received us in this beautiful garden and this nice sun. It makes me feel that Canadians now as they are buried deep in snow, they have hope. They hope that when that snow melts there will still be grass there on earth.

Sir, we hope with the same faith that you will favor us with your visit and Mrs. Carter's to Canada one of these days.

Thank you very, very much, I am looking forward to our talk.

NOTE: The President spoke at 3:39 p.m. on the South Lawn at the White House.

Red Cross Month, 1977

Remarks on the Red Cross Blood Donor Drive. February 21, 1977

March is Red Cross Month. Every one of us knows the important work the Red Cross does—disaster relief, the distribution of blood, service to the Armed Forces, first aid in water safety instruction, and a wide variety of community health programs.

But the Red Cross can't do them alone. It needs help. This month, I hope that you will become a Red Cross volunteer. Support your local chapter's membership enrollment drive, and take a few minutes to donate blood. It's easy. I know because I'm a 6-gallon donor myself, and I'm giving another pint this month.

As Honorary Chairman of the Red Cross, I urge you to help. For nearly 100 years, America has been counting on the Red Cross. This month the Red Cross is counting on you.

Every day some vital Red Cross service touches people's lives. It may be disaster relief, the collection of blood or first aid instruction. But the Red Cross is there.

March is Red Cross Month. As Honorary Chairman, I urge you all to support your local Red Cross chapter.

NOTE: The remarks were filmed in the Oval Office. The two segments were used for broadcast as a public service.

Visit of Prime Minister Trudeau of Canada

Toasts of the President and the Prime Minister at a Dinner Honoring the Prime Minister. February 21, 1977

THE PRESIDENT. In preparing for this visit, I learned that we have some very serious and very intense competition with our friends in the north. Dr. George Gallup ran a poll recently, and he asked the people who live in the United States to name their favorite nations. The United States got 95 percent; Canada got 91 percent. [Laughter] So, I feel that I'm in an intense and constant and very challenging competition with Pierre Trudeau for the hearts of my own people.

I think this does indicate the great compatibility and friendship and sense of warmth and mutual admiration that has always existed among American people toward Canada. We share a border that's more than 5,200 miles long. And for 200 years, our people have lived—with one very brief interval, around 1812—in a spirit of friendship. And that's important to us. Even more than we think, in our daily lives, we are dependent on Canada for many things.

Canada has about 22 million people. And every year, 60 million people cross the border. And there is a kinship and a sharing of delight and challenge and en-

joyment of life that transcends the political realities of a modern, fast-changing, technological world.

Of course, the technologies are important as well. We are now beginning to see that many of the things that we took for granted—the purity of water in the Great Lakes, an unlimited supply of oil and gas, security in our borders, free of possible direct attack in a time of war—those things are now no longer sure. And I think, in a way, that's bound us even closer together.

I know that on the other side of the border, the Canadians feel what we are. The last time Prime Minister Trudeau came to our country, he said that being a neighbor to the United States was like sleeping with an elephant—[laughter]—that you could very quickly detect every twitch or grunt. Well, the elephants are gone. The donkeys are here—[laughter]—and the donkeys are much more companionable beasts, I think.

I do want to thank the Canadian people and Prime Minister Trudeau for their gracious offer during this time of energy shortage for our people, for their offer to help us. They exported some of their cold weather, but they followed it up with all the natural gas.

And we had a very delightful meeting this afternoon to discuss some of the international problems that face us both. Tomorrow, we're going to talk about some things that affect both Canada and us in a bilateral fashion.

Prime Minister Trudeau's wife, Margaret, came a couple weeks ago to visit Rosalynn and to open up a display in one of our famous art galleries of contemporary Canadian art. And I think this indicated, first of all, that we are interested in the same things, but also, that our nations are distinctive.

Although we live in close proximity, we are quite different. And the differ-

ences are carefully preserved. There is an understandable determination not to be dominated and not to be pressured and to be unique and to maintain individuality. And that's a sign of strength on our side and their side of the border that is precious to us both.

I feel that we have approached an era of recognition, of mutual purpose and ideals and hopes and dreams and aspirations and also, concerns and problems that might bind us even closer together now than in the past. And in a way, I'm thankful for it. I'm proud of the personal friendship that was almost instantaneous when I met Pierre Trudeau this afternoon. I had a sense of relaxation and a sense of compatibility that I hope will be an accurate indication on a permanent basis of what our nations feel towards one another.

I would like to close by saying that we have been close in time of war. And quite often, when our own Nation had made a mistake because of an excessive dependence on our own military strength, Canada and its people have maintained kind of a standard of ethics and morality and commitment to unchanging truths that were a subtle reminder to us to reassess our own position.

So, we learn from one another. And I'm very grateful to our visitors for coming to honor us with their presence.

I'd like to propose a toast: To the Queen of Canada, to the Prime Minister of Canada, and to the people of Canada.

THE PRIME MINISTER. *Mr. President, Mrs. Carter, friends:*

I want to thank you, first of all, for your very warm hospitality and for the informality of the dinner that we are attending tonight. The informality was to be expected from a household where you have a child of school age and a puppy, I understand, and the hospitality and the warmth of it was to be expected

from you, sir, and from your very charming wife.

I want to say that I am always a little bit moved and perhaps even intimidated when I am in the White House. It has such history; it has such great memories of remarkable statesmen, American leaders.

And it is particularly moving to be here on George Washington's birthday. I find some consolation in that, because I was told an anecdote about George Washington when he was retiring from office. The Philadelphia Aurora—there was then a paper called that name, I don't know if it still exists—but it had been rather unkind to President Washington during his term of office. And when he retired, they had an editorial saying that if ever there was a day for great rejoicing, this was it. I feel, sir, that an old politician like myself takes some consolation in feeling that times never change. *[Laughter]*

You don't have to seek solace in this type of anecdote. But indeed, you added to the sense of hospitality when you were good enough to quote this finding of Dr. Gallup, of which I knew nothing. And it makes me feel that if ever I get in trouble in Canada politically, maybe I'll come down here. *[Laughter]* I can assure you that if you are ever in trouble, which I pray will never happen, you would be very handily chosen to be the leader of the Canadian people.

Your generous remarks are something which are very much in keeping with the friendship and the long history of co-operation between our peoples. It began, I think, around 1781, when the Articles of Confederation proposed that Canada be admitted, be invited to join the Confederation, just by applying. I believe other colonies had to have the consent of

nine States in order to be admitted, but Canada was to be admitted just on invitation and acceptance. Well, whether it is good or not that we didn't accept in those days, is perhaps very hard to speculate upon except to say that if Canada had accepted, I'm sure we wouldn't be having such a fine dinner here tonight. *[Laughter]*

Apart from that very short incident of hostilities to which you alluded very gently, we have since then, since the past 165 years, I guess it is, had very good neighborhood relations, indeed. We've cooperated in many, many ways. We've built together some of the greatest of men's enterprises. We've maintained democracy alive within our countries, and we've cooperated in assisting wherever we could around the world in helping other nations in one way or another.

And I think it's fair to say that if in those days, 150 years ago, we were the hope of the new world, a large part of the hope of the new world, I would think that today, perhaps, in large part, we represent the hope of the Third World. This joins many of the discussions we had this afternoon.

And I must say on behalf of the Canadian Government and people that we are more than delighted—we are excited with the generous approach that your ideas convey as regards the world order, which would be based on equality and justice.

In our case, sir, we have done our part. In terms of foreign aid, Canada is amongst the top four or five nations of assistance to the Third World, and in terms of our proportion of our GNP. Since the end of the Second World War, we have admitted more refugees, political refugees, to Canada than any other

nation barring the United States. You have a slight edge on us. But they have come to Canada by the tens of thousands from Czechoslovakia, from Hungary, from Tibet, from Uganda, from Chile, and many, many other places.

So, we do try to, as Canadians, show this hospitality to the world which corresponds to the generosity of the Canadian people. I was telling you this afternoon, sir, that though we have been a nuclear power for some 30 years, and though we have the technology and the financial means of building a bomb, we have chosen not to do so. We have tried to put our technology towards a more creative and fraternal use.

We, with the United States, are the only member of NATO which has troops on both sides of the Atlantic. We're into our fourth term in the Security Council. We have been in every peacekeeping operation, United Nations peacekeeping operation, since the end of the Second World War. We were in Korea. We were in the four Indochina Control Commissions.

I say these things, sir, partly to be slightly chauvinistic, but also because we in Canada today tend to be a little bit cynical towards the role of Canada in the world and towards its generosity. And I think that you won't be angry at me for using this occasion and these hidden microphones to talk a little bit about Canada's contribution, because these things would not have been possible without a strong and united Canada. And I just want to assure you, sir, that we intend to keep Canada that way.

It is said that Daniel Boone, when giving advice to those who wanted to join him on the frontier, said that there were three essentials—to have a good gun, a good horse, and a good wife.

Well, now the frontier has changed in kind. We are still very much living on a new kind of a frontier. And in these days when changing values in the world and the increasing closeness of mankind to each other and where a new, special kind of brotherhood is called for, I think we could replace Daniel Boone's three essentials by three others. I would say it is to have good goals, good discipline, and good friends.

Well, I know we have good goals, and we discussed them a great deal this afternoon. We found that together, we shared many, many of the goals in foreign relations and, indeed, in internal affairs.

In terms of having good friends, well, you have shown us tonight through your hospitality and your friendship that that is a reality.

What has to be achieved is good discipline. I speak for Canada, and I feel that it is a virtue that we can do with a bit more of—if I can twist my grammar that way. We are going through a period now when discipline, self-discipline, is being understood as the only substitute for discipline from the outside or discipline from the state. And I must say that I personally was very, very enthusiastic to see the measure of discipline that appears in your thoughts, sir, in your approach to problems, and in your way of life.

I would propose a toast, not to the friendship that we have, and not to the goals that we share, but to the disciplines of our people—may it increase, and to President Carter and to Mrs. Carter, who will help President Carter in imparting some of those disciplines on the industrialized democracies.

NOTE: The President spoke at 9:23 p.m. in the State Dining Room at the White House.

Fiscal Year 1978 Budget Revisions

*Remarks on Signing the Message
to the Congress. February 22, 1977*

We have actually had about 3 weeks to work on this budget modification. I think it's a good improvement on the previous budget. We will prepare the 1979 fiscal year budget in a much more organic way, beginning early in the spring with detailed meetings between myself and the members of the OMB staff and the individual Cabinet officers and other agency leaders.

Then, later on in the spring, perhaps early summer, they will be given an overall budget figure within which they will have to prepare their departments' proposals. And then later on in the fall, we will decide the exact figures to attach to each individual item in the budget.

The whole process will use the zero-base budgeting technique, where you put every item on an equal basis whether it's been in effect 50 years or whether it's a new proposal for next year, so that the priorities can be determined on an annual basis.

This is quite a radical departure from previous budget procedures, where the Congress and the OMB primarily concern themselves only with the assessment of new proposals. But this will mean that we'll have a complete reexamination annually of every proposal, no matter how long it's been in existence.

It also permits the personnel deep within each department to have a role to play in the evolution of the budget proposals. So these two elements are quite radical departures. I think we'll have a much more carefully considered budget next year than we've had in the past.

Thank you.

NOTE: The President spoke at 9:33 a.m. at the ceremony in the Cabinet Room at the White House.

Fiscal Year 1978 Budget Revisions

*Message to the Congress Transmitting
the Revisions. February 22, 1977*

To the Congress of the United States:

I am presenting today proposed changes in the 1978 budget.

Although I have not been able to analyze this budget in depth, these proposals do differ significantly from those of the previous administration.

Proposals have been rejected that would have needlessly added to the burden on the elderly and those who depend upon medicare, medicaid, and food programs.

I have withdrawn proposals that would have placed further financial strain on State and local governments.

Changes are included that will help us move more quickly to meet our commitments in such vital areas as the environment, education, and housing; and I am introducing measures that will help us control unacceptable inflation in medical costs.

The planned increase in defense spending, has been reduced while our real military strength is enhanced.

Revisions have been made that reflect new priorities for water resources development and also for energy, placing greater emphasis on conservation, development of nonnuclear power sources, and expanding our petroleum storage program. Later in the spring, work with the Congress will be completed on a comprehensive, long-range national energy policy.

This budget includes the economic stimulus package, which will reduce unemployment and promote steady, balanced economic growth. The package, which has been slightly changed since it was first presented to the Congress last month, provides for \$15.7 billion in tax reductions and increase outlays in 1977 and \$15.9 billion in 1978. It includes a \$50

per capita rebate on personal income taxes; an increase in the standard deduction; reduction in business taxes to stimulate employment and provide incentives for investment; expansion in training and employment programs; increases in public works funding; and additional money for countercyclical revenue sharing grants to State and local governments.

I am also asking the Congress to extend the supplemental payments program, which is now expiring, so that unemployed workers will be able to qualify through the end of this year for up to 52 weeks of unemployment benefits.

There are several important goals which these revisions do not reflect, because my administration has not yet had time to review all current tax and spending programs or fully prepare our own proposals. The 1978 budget is essentially still President Ford's budget, with only such limited revisions as my administration has had time to make. But these revisions do reflect our careful choices among many possible options; they are important first steps toward a Federal Government that is more effective and responsive to our people's needs.

Last year, spending estimates were too high, and economic policymaking was adversely affected. Because time did not permit detailed review of the current estimates, I have instructed the Office of Management and Budget to make a thorough review of these estimates. The Congress will be informed of any resulting revisions.

The revised budget outlined in this document continues to reflect the current overlapping and unwieldy structure of the Federal Government—a structure I intend, with the help of the Congress, to simplify and improve.

Although it has not been possible in these revisions to the 1978 budget, future

budgets will reflect detailed, zero-based reviews of Federal spending programs, comprehensive reform of the tax system, and fundamental reorganization of the Government.

JIMMY CARTER

February 22, 1977.

NOTE: The President's message is printed in a document entitled "Fiscal Year 1978 Budget Revisions, February 1977" (Government Printing Office, 101 pp.).

Fishery Conservation Zone Transition Act

*Announcement of the Signing of the
Bill. February 22, 1977*

On February 21, 1977, the President signed Enrolled Resolution H.J. Res. 240, which provides temporary waivers of certain provisions of the Fishery Conservation and Management Act of 1976.

That act established a 200-mile fishery conservation zone effective March 1, 1977. The act prohibits fishing within this zone by foreign vessels after that date unless the foreign nation concerned has completed a Governing International Fishery Agreement with the United States.

Since enactment of the legislation, it has proven impossible to complete negotiations on all agreements in time for an orderly transition on March 1 from the present 12-mile fishing zone to the new 200-mile limit.

The effect of the waivers, most of which deal with time periods set for various phases of negotiating agreements, is to make it possible to conclude agreements by March 1, facilitating the implementation of the act.

NOTE: As enacted, H.J. Res. 240 is Public Law 95-6, approved February 21.

ACTION

Nomination of Mary E. King To Be Deputy Director of ACTION. February 22, 1977

The President today announced that he will nominate Mary E. King to be Deputy Director of ACTION. In addition, Ms. King was appointed Special Advisor to the President on Women. The President indicated he would continue to counsel with her as he had in the past, and would, from time to time, send her as his representative to meetings pertaining to women.

Ms. King is the president of Mary King Associates, Inc., which she formed in 1972. The firm provides voluntary organizations and government agencies with research, technical assistance, planning and policy studies in health care, criminal justice, and drug and alcohol abuse.

In the 1976 Carter presidential campaign, Ms. King served as national director of the Committee of 51.3%, named for the proportion of females in the population of the United States. She was also then-Governor Carter's adviser on women and steered the Health Policy Task Force.

She is a founder and president of the National Association of Women Business Owners. She is a member of the board of the Women's Action Alliance and served on the Committee on Women and Employment of the U.S. National Commission for International Women's Year. She is also a member of the American Public Health Association Task Force on Jails and Prisons.

Ms. King was born in New York City on July 30, 1940. She received a B.A. degree in 1962 from Ohio Wesleyan University.

In 1962 she was a human relations specialist under a Marshall Field Foundation grant to the College Division of the YWCA in Atlanta. From 1963 to 1965,

she was assistant director of communications for the Student Nonviolent Coordinating Committee in Atlanta, Ga. and Jackson, Miss.

From 1968 to 1972, Ms. King served as a project officer with the Office of Health Affairs of the U.S. Office of Economic Opportunity, and developed prototype health programs for rural and urban low-income areas.

She is married to Dr. Peter G. Bourne, a psychiatrist who serves as Special Assistant to the President for Mental Health and Drug Abuse. They reside in Washington, D.C.

THE PRESIDENT'S NEWS CONFERENCE OF FEBRUARY 23, 1977

THE PRESIDENT. Good afternoon, everybody.

ADMINISTRATION ACTIVITIES

I would like to make a very brief statement as a progress report to the American people on some items that are important to us.

We have submitted and the Congress is now considering legislation to give me the authority to reorganize the executive branch of government. The Senate committee under Senator Ribicoff has now completed their hearings and they will be marking up the bill beginning tomorrow. The House Committee on Government Operations, under Congressman Jack Brooks, has scheduled hearings to begin on March 1. So, because of the interest of the American people and the Congress and myself in completing this very crucial project, I think the Congress is moving with great expedition to give me that authority.

We've also initiated with directions to the members of the Cabinet and other agency heads a new program to cut down on the extremely great overload of paperwork with a requirement that those who prepare Government regulations, who are responsible for the preparation, sign them.

I've asked my Cabinet officers to read the regulations that are forthcoming from their departments each week until they see the volume and the complexity of them. And we hope to eliminate unnecessary regulations, abbreviate those that are necessary and express them in a language so that we can all understand them.

I've also asked major elements of our society, the university professors and the State officials, in this last week to give me their suggestions on how the regulations might be improved.

We've done the same thing with reports required by the Federal Government. And I hope to reduce drastically the number of reports, the frequency of those reports and the complexity of them.

We will complete the proposed legislation on creating a new Department of Energy this week. The proposed legislation is now on my desk. It will be submitted to the Congress for action the first of next week. And we've consulted very closely with the key leaders in the Congress. And I believe there is going to be a rapid creation of this new department and a heavy emphasis on the importance of energy questions to our people.

We will also present to the American people, probably at a joint session of the Congress speech by me, about April the 20th, a comprehensive energy policy which will involve all the complexities of the energy question—that's something that's long overdue—and it's going to be quite profound on its impact on the American consciousness and our society. And I hope it will be comprehensive

enough so that it can be well-balanced and fair to all.

We are quite concerned about the pressures of inflation. The advisers to me on economics are trying to assess all Government programs and private actions that contribute to inflationary pressures. When this analysis is done, I will use every means that I have available to me to express these concerns and possibly corrective actions to the American people as well.

And the last point is that we will have a complete analysis underway now on deregulation. And the first question is the deregulation of the airlines. Legislation is in the Congress now. We will be submitting a message to Congress very shortly on that subject. We will not submit administration legislation because the Congress has already moved substantially forward in dealing with this important issue.

And now I'd like to answer questions.
Mr. Frank Cormier [Associated Press].

QUESTIONS

DEFENSE EXPENDITURES

Q. Mr. President, you told the Democratic Platform Committee that you thought present defense expenditures could be reduced by 5-to-7 billion dollars. I think you may have modified your position somewhat since then. Obviously, in your short time in office you didn't find the opportunity to make cuts like that in your predecessor's budget. But isn't it also likely that next year's budget for defense will exceed this year's?

THE PRESIDENT. Well, because of inflationary pressures and because of an impossibility of assessing the potential threat to our country from other nations, it's hard to predict exactly what the level of defense spending will be.

In the short time that we had available to work on the previous administration's

budget, about 3 weeks of hard work, we were able to reduce the suggested expenditures by almost \$3 billion, I think about \$2.75 billion. This was done—and I think Senator Stennis in his recent public statements has confirmed that it has been done—without weakening our own defense capability.

The substantial savings in defense spending that will still leave us a muscle will be in such things as the sanitization of weapons, long-range planning, a more business-like allocation of defense contracting, an assessment of the defense contracts for construction and repair already outstanding, a reassessment of priorities of the evolution of new weapons which in the future can become enormously expensive, a longer assignment of military personnel to a base before they are transferred, some emphasis on the correction of inequities and unfairnesses in the retirement system.

These things obviously can't be done in 3 weeks, but they will be an ongoing effort on my part. And I think the 1979 budget, which will be my administration's first budget, will show these improvements to a substantial degree, Mr. Cormier.

Q. Will next year's defense budget actually be lower than the one that you just revised?

THE PRESIDENT. I can't say yet.

CIA ACTIVITIES

Q. Mr. President, do you think it was proper for the CIA to pay off King Hussein and other foreign leaders, and what steps are you taking to make yourself more knowledgeable and more accountable for what CIA does?

THE PRESIDENT. Well, I've adopted a policy, which I am not going to leave, of not commenting directly on any specific CIA activity. But I can tell you that I have begun a complete analysis, which will be completed within the next week,

of all activities by the CIA. I've received substantial reports already. I've reviewed the more controversial revelations that have been publicized in the last few days, some quite erroneous, some with some degree of accuracy. These same operations have been reviewed by the Intelligence Oversight Board, an independent board, and also by my predecessor, President Ford.

I have not found anything illegal or improper. If in future assessments, which will come quite early, I discover such an impropriety or an illegality, I will not only take immediate action to correct it but also will let the American people know about it.

I might say this: This is a very serious problem of how in a democracy to have adequate intelligence gathered, assessed, and used to guarantee the security of our country. It's not part of the American nature to do things in secret. Obviously, historically and still at this modern time, there is a necessity to protect sources of information from other nations.

Sometimes other governments cooperate with us fully; sometimes they don't. But I will try to be sure and so will Stan Turner, who will be the next director of the intelligence community. He will try to be sure that everything we do is not only proper and legal but also compatible with the attitudes of the American people.

One other point I'd like to make is this: It can be extremely damaging to our relationship with other nations, to the potential security of our country even in peacetime, for these kinds of operations, which are legitimate and proper, to be revealed. It makes it hard for us to lay a groundwork on which we might predicate a successful meeting of a threat to us in time of war if we don't have some degree of secrecy.

I am quite concerned about the number of people now who have access to this

kind of information. And I've been working very closely with the congressional leaders, yesterday and today, to try to reduce the overall number of people who have access to the sources of information. But within the bounds that I've described—propriety, legality, and the American attitude towards secrecy—I will do the best I can not ever to make a mistake. And I am also assuming on a continuing basis a direct personal responsibility for the operation of all the intelligence agencies in our Government to make sure that they are meeting these standards.

Q. Mr. President, if there has been erroneous information, wouldn't it behoove you to correct the record?

THE PRESIDENT. In some ways we are correcting the record, but if I began to either dispute or confirm every individual story that's written, whether correct or erroneous, on every matter relating to the CIA, then these matters which are necessarily secret would no longer be secret. So, I am not going to comment on individual items that relate to intelligence.

WAGE AND PRICE INCREASES

Q. Mr. President, George Meany says he won't go along with your idea of prenotification on wage and price increases. My question really is, how hard are you going to press Mr. Meany to go along, and do you have anything else in mind that you could use in the way of government involving itself to try to control inflation?

THE PRESIDENT. Well, I've announced earlier my firm commitment not to have mandatory wage and price laws or authority, not to have standby wage and price authority.

I've not made any proposal to Mr. Meany or any other labor leader nor to any representative of industry or manufacturing. But I will retain the option in the future of assessing what we need to do to control inflation.

I've emphasized always the word "voluntary," and to the extent that I can arrive at a common understanding with industry and labor leaders, that a certain amount of cooperation and information can be exchanged before a major proposal is made, I think that's a legitimate pursuit of mine. I can't force it. It's got to be voluntary. And that's as far as I can go with my answer.

Q. Mr. President, a question directly about the wage and price guidelines, which might be voluntary. How is that for an idea?

THE PRESIDENT. Well, I think rigid guidelines are a mistake. If we said that, for instance, that no price increase or no wage increase could exceed 6 percent, this would be too restrictive. It would be contrary to my own philosophy of government. And I think that, because of the diversity of our society—and the fact that it is a free enterprise system—we've got to have some flexibility.

But I'd prefer to deal with these problems that arise on increasing prices on an individual basis. And I also prefer, of course, to work harmoniously with labor and management. But whether I will be successful, I don't know. I am just going to have to do my best.

HUMAN RIGHTS

Q. In your letter to Mr. Sakharov, you said that the United States would use its good offices to seek the release of prisoners of conscience. And you said that you wanted to continue to shape a world responsible to human aspirations.

THE PRESIDENT. Yes.

Q. As you know, there are human rights problems in many other countries. And some of them, like Iran or the Philippines, we support with arms or we support with American aid. These are countries where many people believe we have more leverage than we might have

in the Soviet Union. What, if anything, do you plan to try to do to help victims of political repression in these countries?

THE PRESIDENT. I think, without my trying to take credit for it, there has been a substantial move toward concern about human rights throughout the world. I think this has taken place in probably a dozen or more different countries. There is an arousing interest in the position that our own Government here and our free country does take. Obviously, there are deprivations of human rights, even more brutal than the ones on which we've commented up till now.

In Uganda, the actions there have disgusted the entire civilized world, and as you know, we have no diplomatic relationships with Uganda.¹

But here is an instance where both Ambassador Andrew Young and I have expressed great concern about what is there. The British are now considering asking the United Nations to go into Uganda to assess the horrible murders that apparently are taking place in that country, the persecution of those who have aroused the ire of Mr. Amin.

I've expressed my concern about imprisoned political prisoners in South Korea, in Cuba, in many countries—in several countries rather—in South America, and I will continue to do so. I have never had an inclination to single out the Soviet Union as the only place where human rights are being abridged.

We have, I think, a responsibility and a legal right to express our disapproval of violations of human rights. The Helsinki

agreement, the so-called basket 3 provision, ensures that some of these human rights shall be preserved. We are a signatory of the Helsinki agreement. We are, ourselves, culpable in some ways for not giving people adequate right to move around our country, or restricting unnecessarily, in my opinion, visitation to this country by those who disagree with us politically.

So, I think that we all ought to take a position in our country and among our friends and allies, among our potential adversaries, that human rights is something on which we should bear a major responsibility for leadership. And I have made it clear to the Soviet Union and to others in the Eastern European Community that I am not trying to launch a unilateral criticism of them; that I am trying to set a standard in our own country and make my concerns expressed throughout the world, not singled out against any particular country.

CIA DISCLOSURES

Q. Mr. President, the other day—getting back to the Hussein thing—when that story broke, your Press Secretary, when he issued what amounted to a no comment by the White House, someone asked him if this story had broken back during the campaign when you were running for President would you have given a similar response. And he said, "Well, I don't know." So, can I ask you, what would have been your response? Would it have been the same?

THE PRESIDENT. I don't know. [*Laughter*]

Q. Mr. President, on the same subject, you said earlier that your review of CIA activities had found nothing illegal or improper, and you later said that these activities are legitimate and proper. Isn't that a value judgment that the American public might like to share, but how can

¹ The White House Press Office later issued a correction which stated:

While the United States has withdrawn its mission from Uganda and has no direct diplomatic representation there, U.S. affairs in the Republic of Uganda are carried out through the West German Embassy, and the Republic of Uganda has an operating embassy and chargé d'affaires in Washington.

they if you refuse to give them any idea of what you have discovered during this review about payments, including ones made in secret?

THE PRESIDENT. That is a value judgment. It's made by the independent Intelligence Oversight Board which was established and appointed by President Ford. This Board has made itself available to the Inspector General and to any employee within the CIA or within the defense intelligence agencies or any other to receive even rumors of impropriety. They have assessed these operations. They made their inquiries in the past, which is in accordance with the Executive order issued by President Ford, to the Attorney General of the United States, and also to the President.

I have read that correspondence. It's quite voluminous. And I think that it's accurate to say that Senator Inouye's committee in the Senate and the appropriate committees in the House have also received this information in the past. I have talked to Senator Inouye and he confirms what I've just told you. And I think he would also confirm that the impropriety or the illegality does not exist on any ongoing CIA operation.

RELATIONS WITH CONGRESS

Q. Mr. President, Charles Kirbo—your friend, Charles Kirbo—seems to feel that you are going to be having a continuing problem with the Congress and that you will have to go over Congress head to the people in order to get results. Is this true?

THE PRESIDENT. I think if you read the whole statement that Mr. Kirbo made, which is just a private citizen's opinion, he would say that every President has had arguments and debates and disagreements with the Congress. And I think that's inevitable in our system of government. That's part of the checks and balances that's very precious to us all.

I have found up till now a growing sense of cooperation with the Congress. I think last week when I was asked roughly the same question, that the troubles were perhaps underestimated by the news media. I think now perhaps the troubles with the Congress are overestimated. I have frequent meetings with the congressional leaders, both Democratic and Republican.

And I think that the progress of the legislation that we consider to be crucial, which seemed to be moving very slowly in the past, is now speeding up. So, I don't believe that we will have nearly the problems with the Congress that has been the case in recent years. And I have to say in summary that I am very pleased with my relationship with the Congress now.

ELECTION REFORM

Q. Mr. President, in view of your assignment to Vice President Mondale regarding the election laws, could you give us your views, sir, on the direct election of a President versus the electoral college, and also, do you think that the public financing should be extended to Congress as well as the Presidency?

THE PRESIDENT. There are three basic questions that come up. In the first place, I do favor at least an automatic vote by Presidential electors, once the general election is completed. I think the electoral college, for instance, should be eliminated. Whether the ratio among States of votes ought to be changed, I am not prepared to comment on that.

As far as the financing of congressional elections by public funds, as proved to be successful, I believe, in the Presidential election, I strongly favor that, yes. And the other element of the overall package would be a simple way for American people who are citizens and 18 years old to register to vote. And I am committed to that proposition, and the Vice President

has graciously consented to take on this overall election process responsibility. Those three will be basic elements of the proposals.

RELATIONS WITH CUBA

Q. Mr. President, are you prepared to lift the trade embargo against Cuba as one step toward normalizing relations?

THE PRESIDENT. I think any substantial moves in our relationship with Cuba would have to await further discussions with them indirectly and also some tangible evidence on our part that they are willing to restore basic human rights in Cuba involving the number of prisoners who are being held, their attitude toward overseas adventures, such as the one in Angola, and other matters.

So, I can't say what might come in the future. I am willing, though, to discuss these matters with the Cuban leaders. At this time we have no direct relationships with them politically, but through intermediaries, comments are being exchanged back and forth; most of my comments in public statements like this. But we do have messages coming back from people who visit Cuba.

DEFENSE EXPENDITURES

Q. In answer to an earlier question, Mr. President, you said that you couldn't say whether next year's defense budget would be lower or higher than this year's. But as I understood your earlier position, you did want to achieve a \$5 to \$7 billion savings, regardless of the overall level of spending. Do you still hold with that figure? Is that still your goal and a commitment?

THE PRESIDENT. Yes. The analysis that I've made of the defense budget so far, which as you know has been limited to about a month's study, just part-time, indicate that that's a goal that will be reached.

NATURAL GAS DEREGULATION

Q. Mr. President, in letters to the Governors of Oklahoma, Texas, and Louisiana last October, you said unconditionally that you would work with Congress to deregulate new natural gas. And I wondered if you planned to keep that promise, and if so, how will you go about it?

THE PRESIDENT. I don't know how I will go about it. I do plan to keep my promises. The position that I have taken and the position that the Governors of Oklahoma and Texas took at Governors' conferences to which I was referring, was the deregulation of natural gas for a limited period of time, 4 to 5 years, to see how it works out, leaving existing contracts in effect.

But I will work with Congress on the deregulation of natural gas as a part of an overall energy policy. By April 20, I think we will be prepared to present to you, the news media, the people, and the Congress, more specific proposals involving direct legislative proposals that will answer your question more fully.

ENERGY PROGRAM

Q. Mr. President, we've been told that the central thrust of your new energy program will involve sacrifice and voluntary conservation. Yet the public is always reading stories in the paper of how the major oil companies are withholding natural gas. I'd like to ask how are you going to expect the public to make sacrifices when there is such widespread public suspicion about the role of the oil companies in the energy crisis?

THE PRESIDENT. I think the comprehensive nature of the proposal, the fact it takes in all these very disparate and sometimes conflicting elements at one time, and a long-range projection of our needs in a tangible demonstration to the American people to the extent that I am able

to put it forward, that there will be direct ultimate benefits to them, will be the elements that will cause them to make those sacrifices.

At the same time, I want to increase the surety that we have that the reserve supply data given to us by the oil companies and others are accurate. We are now conducting some admittedly superficial studies by Secretary Cecil Andrus in Interior, and also they will be followed up by more detailed studies under Dr. Schlesinger, to see whether or not the reserve supplies are adequate and whether or not the oil companies are giving us accurate data.

I think it's obvious to all of us that there are some instances where natural gas is withheld from the market. That's understandable. If I was running an oil company, I would reserve the right to release or to reserve some supplies of natural gas. With the emergency legislation that the Congress did pass, I think in about a week of assessment during the frigid part of the winter—it's still very cold—we were given some authority to buy extra gas at a very high price. This is obviously a transient circumstance.

But I believe the American people will be willing to make the sacrifices required if they are convinced that future reports will be accurate, that supplies will not be withheld from the market. And if we can let the oil companies know in a predictable way what our policy will be 2 months or 2 years or 20 years in the future, within the bounds of human reason, then I think they will be much less likely to withhold supplies of oil and natural gas from the market just hoping that they will get some bonanza or increased price in the future if the policies do change.

Q. Mr. President, another question, sir, on the sacrifices that you say your upcoming energy program is going to demand. Is it likely that one of those sacrifices is

going to come in the form of a largely increased Federal gasoline tax?

THE PRESIDENT. I don't know how to answer your questions about specifics of the proposal. I want to make this clear: The purpose of the energy policy evolution is not to cause sacrifice or hardship among the American people. Unless I can demonstrate that in balance the temporary sacrifices in a certain area are far overcome by immediate and ultimate benefits, then nobody is going to buy it. And I believe that we've now got such a horrible conglomeration of confusion in the energy field that nobody knows what is going to happen next.

So, I think that the sacrifices will be far overcome by the benefits that the American people will be easily able to discern for themselves.

RELATIONS WITH CANADA

Q. Mr. President, you said that in spite of the fact that the Canadian people would have to determine their future for themselves, particularly in regard to the separatism issue in Quebec, that you had confidence that the issue would be straightened out relatively peacefully.

Do you really think that there is little concern in this country about the future of a unified Canada, and is there anything really that we can do about it?

THE PRESIDENT. There is a great deal of concern in this country about the future of Canada. And I have complete confidence, as I said in an interview with the Canadian news media, in the sound judgment of the Canadian people. I am familiar, and even more familiar today than I was 2 days ago, after Prime Minister Trudeau's visit, with the problems in Quebec and the inclination of some of the French-Canadians to have an independent status from the rest of the Canadian provinces.

I don't know what is going to be the ultimate outcome, but I believe that we are so closely tied together with Canada on a mutually beneficial basis, sharing problems, sharing opportunities, sharing trade, sharing manufacturing companies that have joint ownership, our exchange of energy sources, our sharing of the St. Lawrence Seaway, the Great Lakes, as far as water pollution is concerned, the bringing of Alaskan oil and natural gas down to us, that we have got to have a continuing relationship with Canada.

My own personal preference would be that the commonwealth stay as it is and that there not be a separate Quebec province. But that's a decision for the Canadians to make. And I would certainly make no private or public move to try to determine the outcome of that great debate.

I promised Ann [Ann Compton, ABC News].

CAMPAIGN PROMISES

Q. Mr. President, you've had a month now to enjoy the view from the Oval Office. Do you think you will be able to keep fully all the campaign promises you made?

THE PRESIDENT. As you know, we have issued what I believe is a complete book of my campaign promises which is, I presume, being made available to all of you.

My determination is to keep all those promises. Obviously, if circumstances should change, I would have to reserve the right to go back to the American people and say now that circumstances have changed, this is a better approach to that particular problem. But I will do my utmost to keep all the campaign promises that I made to the American people.

B-1 BOMBER

Q. Mr. President, with respect to the B-1 you said at various times during the campaign that the B-1 was a waste; you

also promised to cut the waste out of the defense budget. When would you expect to stop production of the B-1, as opposed to research and development on the B-1?

THE PRESIDENT. I think I cut out about more than \$200 million from the B-1 program in the budget just submitted to the Congress. I have serious questions about whether or not the B-1 ought to be in the future the center of our airborne defense capability. I have several more months before I have to make a decision on that matter.

And the National Security Council, which combines, as you know, State, Treasury, Defense, and other elements of the Government, working very closely with me, is now making a complete reassessment of the need for the B-1 bomber.

I don't know whether we will decide to go on with it or not, and I don't know whether we will expedite production of it or not at this time. Part of the factor to be assessed is the attitude of the Soviet Union. If we can have a general lessening of tension, a demonstrated commitment on their part toward disarmament, it would certainly make it less likely that we would go ahead with the B-1.

But I can't answer the question until I complete my own study, and I think that would have to be terminated by the end of May.

ELECTION REFORM

Q. Mr. President, I was a little unclear about what you are going to propose in the campaign finance law. Are you saying that you will propose to have all congressional elections publicly financed?

THE PRESIDENT. That's my preference, yes.

Q. Mr. President, is that what you have proposed to Congress?

THE PRESIDENT. The Vice President is now doing a study on a complete election law package, and I'd like to reserve my

own judgment until I see what his report is to me. But that's my own inclination. It's the position that I took during the campaign. And so far I have no reason to change my mind.

FOREIGN POLICY

Q. Mr. President, you gave us kind of a timetable for your domestic program in your preliminary statement. I wonder if you have a similar timetable of what you hope to achieve in foreign policy between now and the end of the year, such as in Middle East peace, Cyprus, the treaty with Panama?

THE PRESIDENT. Of course I can't answer that question specifically because I don't know what cooperation we will get from other nations, and I don't know what the inclination of those nations in disputed regions of the world want to do toward one another.

Secretary Cyrus Vance has just returned from what I consider to be a very successful trip to the Middle East. He not only probed with the heads of those governments and their cabinet members their own positions both public and private on the controversial issues that have so far prevented a peace in the Middle East. He also had a chance to compare their positions on issues, which ones they found to be in harmony, which ones there was still a dispute.

We also invited the leaders of all those nations to meet with me. They have all accepted, and I will be meeting with the heads of the nations in dispute in the Middle East, all of them, before the end of May.

The first visit of one of those leaders will be Mr. Rabin, I believe, March 12 (7 and 8).^{*} And he will be followed by

the leaders from Egypt, from Jordan, and from Syria, from Saudi Arabia. And I look forward to meeting with them.

At that point I hope I will have a very clear picture of what role the American Government ought to play.

The same thing applies to the situation that exists between ourselves and Turkey, ourselves and Greece, ourselves and Cyprus. We can't impose our will on other people, but if they honestly want to seek a solution, we are perfectly willing to offer our good offices as a country with influence and interest to help them resolve their own differences. But it's got to be done primarily by those countries involved.

We have begun again, within the last week, our discussions on the Panama Canal treaty. We have two extremely good negotiators, and I hope that we will have success there. There is no way that I can say at this point what degree of progress we have made. It's just beginning.

So, throughout the areas of high dispute, including South Africa and others that I don't have time to mention, we are probing as best we can to discern some possibility of resolution of those tension areas.

We are meeting today, in fact all this week, with the British, to try to get a renewed proposal to make concerning the questions surrounding Rhodesia, and then, of course, we will still have left Namibia and ultimately the majority rule question in South Africa.

But I've only been in office a month. I don't claim to know all the easy answers. And these questions that have been in existence for 25 or 30 years are not going to be easy to solve. But we are going to do the best we can, openly and forcefully, offering our good services, not trying to impose our will on other people.

^{*}White House Press Office clarification.

MR. CORMIER. Thank you, Mr. President.

THE PRESIDENT. Thank you, Mr. Cormier.

NOTE: President Carter's second news conference began at 2:30 p.m. in Room 450 of the Old Executive Office Building. It was broadcast live on radio and television.

Carter-Mondale Transition Team Funds

Announcement of the Return of Unspent Funds to the Treasury. February 24, 1977

The President announced today that approximately \$350,000 of the \$2 million appropriated to the Carter-Mondale transition team was not spent and will be returned to the Treasury.

The President said, "I'm very pleased with the work the transition team did and the fact that they were able to do it substantially under the budget allotted to them. I'm glad they were able to do their work in an economical fashion so that we're able to return this money to the Treasury."

The President's remarks followed a report to him by Jack Watson, who was the Carter-Mondale transition director. The report showed expenditures of approximately \$1.65 million. The exact figure must await a final audit report.

Department of the Interior

Nomination of James A. Joseph To Be Under Secretary. February 24, 1977

The President today announced that he will nominate James A. Joseph to be Un-

der Secretary of the Interior. Joseph is currently vice president of Cummins Engine Co. and president of Cummins Engine Foundation in Columbus, Ind.

He was born in Opelousas, La., on March 12, 1935. He received a B.A. from Southern University in 1956 and a B.D. from Yale University in 1963. He served in the U.S. Army as a first lieutenant from 1956 to 1958.

In 1963-64 Joseph was an instructor and recruitment officer at Stillman College in Tuscaloosa, Ala. From 1964 to 1967, he was associate chaplain at the Claremont Colleges in Claremont, Calif., and also taught at Pitzer and Claremont Men's Colleges.

From 1967 to 1969, he was associate director of Irwin-Sweeney-Miller and Cummins Engine Foundations where he developed national philanthropic programs. In 1969-70, he returned to the Claremont Colleges as chaplain and a member of the faculty of the School of Theology.

From 1970 to 1972, Joseph was executive director of Irwin-Sweeney-Miller and Cummins Engine Foundations. In 1972, he became vice president of Cummins Engine Co. and president of Cummins Engine Foundation.

His personal responsibilities include public policy analysis, government relations worldwide, corporate philanthropy, the corporate responsibility of manufacturing units and sales and service outlets in more than 100 countries, and key social and political aspects of long-range planning. He also serves on the company's Environmental Affairs, Policy and Operating Committees.

Joseph is married to the former Doris Taylor. They have a son and a daughter and reside in Columbus, Ind.

Department of the Interior

***Nomination of Leo M. Krulitz
To Be Solicitor. February 24, 1977***

The President today announced that he will nominate Leo M. Krulitz as Solicitor of the Department of the Interior. Krulitz is currently vice president and treasurer of the Irwin Management Co. in Columbus, Ind.

He was born June 15, 1938, in Wallace, Idaho. He received a B.A. degree from Stanford University in 1960, a J.D. degree from Harvard Law School in 1963, and an M.B.A. degree from the Stanford Graduate School of Business in 1969, where he held the Faville Fellowship.

Krulitz practiced law from 1963 to 1967 with the firm of Moffatt, Thomas, Barrett and Blanton, in Boise, Idaho.

After receiving his M.B.A. in 1969, Krulitz joined the Irwin Management Co. He became vice president and treasurer in 1974.

Krulitz recently has been assisting Interior Secretary Cecil D. Andrus in legal matters involving the transition of his administration.

Krulitz is married to the former Donna Ristau. They have two daughters and live in Columbus, Ind.

He was born September 10, 1929, in Seattle, Wash. He received an A.A. degree from the University of Minnesota in 1951.

From 1948 to 1954, Brown was a spinner at the Donaldson Co. in St. Paul, Minn., and served as president of United Auto Workers Local 41 in St. Paul. In 1952 and 1954, he was education representative of the Minnesota State CIO.

From 1955 to 1957, Brown worked for the State of Minnesota as a manual and reports writer. From 1957 to 1963, he was a personnel officer for the State, and from 1963 to 1965 he served as deputy commissioner of conservation for Minnesota. From 1965 to 1966, he was commissioner of employment security for the State of Minnesota.

Brown was Associate Manpower Administrator for the U.S. Department of Labor in Washington, D.C., from 1966 to 1974. In June 1974, he became regional administrator for the Department in Denver.

Brown is married to the former Iolene Gau. They have four sons and four daughters and reside in Littleton, Colo.

Department of Labor

***Nomination of Carin Ann Clauss
To Be Solicitor. February 24, 1977***

The President today announced that he will nominate Carin Ann Clauss to be Solicitor of the Department of Labor. Ms. Clauss is presently an Associate Solicitor for the Fair Labor Standards Division in the Department of Labor.

She was born in Knoxville, Tenn., on January 24, 1939. She received a B.A. from Vassar College in 1960 and an

Department of Labor

***Nomination of Robert J. Brown To Be
Under Secretary. February 24, 1977***

The President today announced he will nominate Robert J. Brown to be Under Secretary of Labor. Brown is presently regional administrator for the United States Department of Labor in Denver, Colo.

LL.B. from Columbia Law School in 1963.

She has been at the Labor Department since August 1963. From 1963 to 1965, Ms. Clauss was an attorney in the Department. She served as special assistant to the Deputy Solicitor of Labor from 1966 to 1968, and as Deputy Counsel for Appellate Litigation in 1968 and 1969.

From 1969 to 1971, Ms. Clauss served as Counsel for Appellate Litigation in the Department. She has been Associate Solicitor for the Fair Labor Standards Division since 1972.

She was cochairman of the Labor Committee of the Federal Bar Association in 1968 and 1972. She is a member of the Industrial Relations Research Association, Executive Women in Government, and the Federal Executive League.

She has received the Federal Woman's Award (1976) and the Labor Department's Distinguished Career Service Award (1976). She was the Labor Department's nominee for the Rockefeller Public Service Award in 1974.

Department of Labor

Nomination of Ernest G. Green To Be an Assistant Secretary. February 24, 1977

The President today announced that he will nominate Ernest G. Green to be an Assistant Secretary of Labor (Employment and Training). Green is presently executive director of Recruitment and Training Program—RTP, Inc. in New York.

Green was born September 22, 1941, in Little Rock, Ark. He received a B.A. in social science in 1962 and an M.A. in sociology in 1964 from Michigan State University.

Since April 1964, he has been executive director of RTP, where his work has in-

cluded leading initiatives toward bringing minority group members into the building trades.

In 1965 he served as a youth consultant for the U. S. Department of Labor's Job Corps. He was a manpower consultant for the Department of Housing and Urban Development in 1968 and served in the State Department's Agency for International Development in 1971.

He has been a member of the Department of Labor's Federal Committee on Apprenticeship since 1974. Green is also a member of the Hudson Guild; Citizens Housing and Planning Council of New York; National Manpower Policy Task Force; National Urban Coalition; National Council on Employment Policy; and the National Rural Center.

Department of Labor

Nomination of Donald Elisburg To Be an Assistant Secretary. February 24, 1977

The President today announced that he will nominate Donald Elisburg to be an Assistant Secretary of Labor (Employment Standards). Elisburg is presently general counsel and staff director of the U.S. Senate Committee on Labor and Public Welfare and counsel of the Subcommittee on Labor.

Elisburg was born August 1, 1938, in Chicago, Ill. He received a B.S. degree from Illinois Institute of Technology in 1960 and a J.D. degree from University of Chicago Law School in 1963.

He was a trial attorney in the Office of the Solicitor, United States Department of Labor, for the Chicago region from 1963 to 1965. From 1965 to 1966, he was an attorney in the Manpower Services Division of the Department of Labor, and from 1966 to 1968 he was a trial attorney

for the Labor Relations and Civil Rights Division of the Department.

From 1968 to 1970, Elisburg served as special assistant to the Solicitor and Deputy Solicitor at the Labor Department, and in 1970 he was also Assistant Counsel for Manpower.

Elisburg was associate counsel to the Subcommittee on Labor of the U.S. Senate Committee on Labor and Public Welfare from 1970 to 1974. In 1974 he became general counsel and staff director of the Committee and counsel of the Subcommittee. In 1974-75 Elisburg was an adjunct lecturer in law at Antioch Law School.

Elisburg is a committee chairman for the American Bar Association and for the Federal Bar Association. He is a member of the Steering Committee of the District of Columbia Bar Association.

He is married to the former Nancy Meyers. They have two children and reside in Potomac, Md.

the Abacus Fund, Inc., a New York investment company. In 1972 he joined Paine, Webber, Jackson & Curtis.

Weil is chairman of the tax committee and a member of the New York State Economic Development Board. He is also chairman of the New York State Board of Equalization and Assessment.

Weil is a trustee and past president of the Educational Alliance in New York; trustee and past chairman of The Harvey School; trustee and secretary of the Federation of Jewish Philanthropies of New York City; and trustee and chairman of the Cooperative Assistance Fund, a Washington-based minority enterprise investment company.

He holds directorships in Dorr-Oliver Inc., Stamford, Conn.; Hamburg Savings Bank, New York City; J. B. Lippincott, Philadelphia; and Government Research Corporation, Washington, D.C.

Weil is married to the former Denie Sandison. They have four children and reside in New York City.

Department of Commerce

Nomination of Frank A. Weil To Be an Assistant Secretary. February 24, 1977

The President today announced that he will nominate Frank A. Weil to be an Assistant Secretary of Commerce (Domestic and International Business). Weil is presently officer, director and consultant to Paine, Webber, Jackson & Curtis in New York City.

He was born in Bedford, N.Y., on February 14, 1931. He received a B.A. from Harvard College in 1953 and an LL.B. from Harvard Law School in 1956.

From 1956 to 1960, Weil practiced law in New York City. From 1960 to 1971, he was a general partner with Loeb, Rhoades & Co. in New York, and from 1968 to 1972 he was president of

Council on Environmental Quality

Nomination of Charles Hugh Warren To Be a Member. February 24, 1977

The President today announced his intention to nominate Charles Hugh Warren to be a member of the Council on Environmental Quality. The President indicated that if the Senate confirms Warren as a member of the Council, he will designate him to be Chairman. Warren is presently a California State legislator.

Warren was born in Kansas City, Mo., on April 26, 1927. He received a B.A. in economics from the University of California at Berkeley and a J.D. from Hastings College of Law. He served in the

United States Army in Japan from 1944 to 1946.

Warren was a member of the law firm of Darwin, Peckham and Warren, in San Francisco from 1952 to 1955. From 1955 to 1960, he was with the Los Angeles law firm of Bodle, Fogel and Warren, and from 1960 to 1974 he was a member of the law firm of Warren, Adell, and Miller in Los Angeles.

He has been a member of the Assembly of the California Legislature since 1963. From 1966 to 1968, Warren was chairman of the California Democratic State Central Committee. He is chairman of the Resources, Land Use and Energy Committee of the California Legislature.

Warren is also chairman of the Energy Task Force of the National Conference of State Legislatures. He is a member of the Environmental Advisory Committee of the Federal Energy Administration and cochairman of the Ad Hoc Energy Policy Council of the State of California. He is project director of the Western States Water Policy Analysis by the Rand Corp. He was a member of the Carter Campaign Energy Task Force during the campaign.

Warren has been the author of various pieces of legislation dealing with environmental matters in the California Legislature. He has made numerous speeches on resource use and energy policy.

Warren is married to the former Audrey Wainwright. They have two daughters and a son and reside in Sacramento.

Department of Health, Education, and Welfare

*Nomination of Thomas D. Morris To Be
Inspector General. February 24, 1977*

The President today announced that he will nominate Thomas D. Morris to be

Inspector General of the Department of Health, Education, and Welfare.

Mr. Morris, a senior staff member of the Brookings Institution with nearly 40 years of management experience, would be the first person to hold the Inspector General position, created by Congress last October. He will report both to HEW Secretary Joe Califano and to Congress.

The resources that Mr. Morris will have under his authority include 1,000 auditors and 100 investigators. He will be allocated more manpower if he needs it. He will also work with and guide the presently existing Quality Control Staff in the various HEW components.

His mandate is twofold, to investigate fraud and abuses of HEW programs and to bring economy and efficiency to the agency.

Initially, he will focus his attention on the broad area of health care services and the student loans program administered by HEW.

Mr. Morris was born in Knoxville, Tenn., on April 19, 1913. He received a B.A. from the University of Tennessee in 1934. Between 1936 and 1970, Morris spent 20 years as a methods and procedures specialist and consultant in the private sector, including serving as vice president of Dart Industries in 1970 and vice president of Litton Industries in 1969.

From 1942 to 1945, he served in the Office of the Secretary of the Navy, and attained the rank of lieutenant commander. In 1956 and 1957, he was Deputy Assistant Secretary of Defense, and Assistant to the Deputy Secretary. In 1960 he was Assistant Director of the United States Bureau of the Budget for Management and Organization.

From 1961 to 1968, he served as Assistant Secretary of Defense in charge of the Defense Department's cost reduction program and procurement operations.

Morris was Assistant Comptroller General of the United States from 1970 to 1975, responsible for internal management programs of the 5,000 member staff of the General Accounting Office. He also supervised audits and investigations of the management operations of all Federal agencies.

From November 1975 to February 1976, he was assistant secretary for administrative services in the Florida Department of Health and Rehabilitative Services, and assisted in the reorganization of the 30,000 member department. In 1976 he joined the staff of the Brookings Institution.

Department of Transportation

*Remarks and a Question-and-Answer
Session With Department Employees.
February 24, 1977*

SECRETARY ADAMS. Mr. President, as you can see, the Department of Transportation loves you.

It is my very great pleasure today to introduce to you the man who leads all of us in this Nation, who I think has done a marvelous thing in coming to the various departments, letting all of us know that he cares, seeing to it that the things that we do he knows about—and, believe me, he considers them important. He asks all of the time, “What are you doing and how well are you doing it?”

To the members of the Department of Transportation, I present to you the President of the United States.

THE PRESIDENT. Thank you.

First of all, let me say how grateful I am that you’ve let me come over to be with you and that you’ve been nice enough to leave your jobs to assemble here for a few minutes. I feel good about leav-

ing my job at the White House to come over and be with you, too.

ADMINISTRATION POLICIES

Your new Secretary, Brock Adams, has done a remarkable job already. He’s one of the few Cabinet members I have had who, in every one of his decisions, has made a lot of people angry. I think he occupies, also, the honored position of being the first Cabinet officer who caused the White House to be picketed—with his I-66 decision.

One thing I would like to say is this: Your Department is the center of the largest expenditure of our gross national product of any other. Twenty percent of our GNP goes for transportation. And this means that in many different ways you, individually, the agency within which you work, the Department as a whole, touches American people’s lives.

We have a need for a comprehensive approach to the challenges that come from transportation decisions. Energy, environment, the care for our precious ocean resources, safety, the movement of people—your decisions impact on every person’s life. And I want to be sure that Brock Adams, who has my total confidence, is able to bring together among all of you an approach that is in itself cohesive and understandable, where there are no sacred fiefdoms within the Transportation Department.

It’s very difficult for individual members of a large department like your own, 110,000 employees, to see how your contribution is significant. And I want to be sure that in every instance, when possible, that the Secretary of Transportation lets all of you know what is going on in other parts of this tremendous and very important organization.

I think you can do a better job if you work in waterways or rail or airlines or surface transportation, rapid transit, high-

ways, the ocean, if you understand one another's problems. So the comprehensive nature of what is done is the responsibility of Secretary Brock Adams. And his ability to let you know what we are trying to face will let you do a better job for all of us.

You also have an advantage in that 90 percent of the employees in this Department are outside Washington, in other parts of the Nation, seeing at firsthand the delivery of services and care in the transportation field. That will help a great deal as well.

And the last point I want to make is this: We are partners in this process. I'm no better than you are. We're servants of the American people, and we share a tremendous opportunity and responsibility. I want you to feel a part of that partnership.

I think at this time it will be good for me to answer your questions. I don't mind getting wet a little if you don't. I think this will show that democracy exists between the White House and the Transportation Department.

QUESTIONS

EQUAL EMPLOYMENT OPPORTUNITY

Q. Mr. President, I would like to ask the question, what is the present status of the EEO affirmative action plans in the Federal agencies? In other words—

THE PRESIDENT. I understand.

Q. —that will enable women to move up in the professional field and, also, what you propose to do to see that these affirmative action plans are factual statistics?

THE PRESIDENT. The question, I guess everybody could hear, is about EEOC and particularly about women. We have much more than tripled the number of women who have been selected at the top management levels of the various departments. We've not yet gone far enough. We now have seven different Federal agencies

responsible for insuring equal employment opportunities. We have a backlog of cases that consists of 130,000 cases. It takes an average of about 3 years to settle a complaint.

I'm in the process now of choosing someone to head up the Equal Employment Opportunity Commission, who I think will be a person of nationwide stature and in whom you will have confidence. But I'm totally dedicated, personally, to rooting out the last vestiges of discrimination against any human being who works in the Federal Government over whom we have any input because of race or sex or religion. And I promise you that this will be an undying and constant commitment on my part. And every member of the Cabinet, including Brock Adams, is committed to the same thing.

ZERO-BASE BUDGETING

Q. Mr. President, as a budgeteer, I'm very interested in your zero-based budgeting plans for '79. We are now in the process of preparing our multi-year plan, of which the '79 is the base year.

When do you intend on releasing your zero-based budgeting plan, and how do you propose to get the information to the levels where budgets are formulated; for example, OMB circular or through seminar, whatever?

THE PRESIDENT. Well, we will initiate zero-base budgeting in time to prepare the fiscal year '79 budget in its entirety, using this process.

The first stage of zero-base budgeting will be for me to meet with the different members of the Cabinet and other agency heads, probably no later than April. And in that session, we'll establish broad policies, delineations of priorities. And then we'll follow that up with your participation between April and perhaps August. During that period, we'll take every program that this Department carries out,

whether it's been in effect 20 years or 10 years or whether it's seeing its initiation for the first time next year. Those programs will be placed in an order of priority and financed from the top down.

Also, we'll require that everyone in this Department at the foreman level or above fills out an analysis of what you are doing, so that you can know with one side of one sheet of paper how your job is being performed, how many people you have in the past and need in the future—how much money you spend.

So, two basic things will be accomplished. One is to make sure that transportation funds are spent in the most effective way in the future and, secondly, you will be the one to prepare the basic elements of the 1979 fiscal year budget. So the next budget that is prepared will be prepared using in its entirety, zero-base budgeting.

FEDERAL EMPLOYMENT OF HISPANICS

Q. Mr. President, first of all, *buenos tardes*. [Good afternoon.]

THE PRESIDENT. *Buenos tardes*.

Q. This week's issue of Time magazine states that after 1 month in office, dozens of top jobs in your administration still remain unfilled.

THE PRESIDENT. Right.

Q. It cites as examples the Agriculture Department, where there is no Deputy Secretary, no General Counsel, and none of its six allotted Assistant Secretaries.

The minority community, Mr. President, in this country and, in particular, the Hispanic community, is very distressed over the fact that you have failed to appoint Hispanics to significant top-level positions in your administration, and specifically in this Department of Transportation.

Would you comment, please, on the appointment of Hispanics to top-level posts in your administration and in this Department?

THE PRESIDENT. All right.

Secretary Adams just informed me that one of his top positions was offered to a Spanish-speaking citizen, and he declined. We are looking now for another one.

I think in the earlier reports that I got, we had already tripled the number of top-level positions being filled by Spanish-speaking Americans. We had doubled the number of black Americans, more than tripled the number of women in the top levels. But this is a never-ending search for good people. And I'm aware of the fact that in the past, these particular groups have been excluded from positions not only at the top level but all the way through the Department.

We are moving slowly. Some positions that have in the past been filled will never be filled, because we feel that there was an excessive number of people at the top levels or positions in major departments. Others are being delayed because of FBI and Internal Revenue Service checks. We have just sent another batch of recommendations to the Senate for confirmation today.

But I can assure you—and there is no way I can convince you until you see the results—that you will be satisfied when the complete process is terminated on the selection of Spanish-speaking Americans, black Americans and women and others, who have been excluded in the past not only from the top levels of Government but for positions like Federal Judges or U.S. Attorneys or diplomats and other positions. We will take care of that, and I think you can trust me to do it.

JUSTICE FOR MINORITIES

Q. Mr. President, I would just like to speak for all of the minorities, men and women who are incarcerated throughout the United States of America. And I'd like to see some type of affirmative program established, some type of Federal watch-

dog agency, to prevent injustice, to prevent minority men and women being railroaded into prisons throughout the United States of America.

Thank you.

THE PRESIDENT. Thank you.

SECRETARY ADAMS. One more, Mr. President.

THE PRESIDENT. Do I have another question?

LARRY FLYNT

Q. Mr. President, I'd like to know what effect do you think the conviction of Larry Flynt, publisher of *Hustler*, will have upon freedom of the press in the United States?

THE PRESIDENT. I don't know how to answer that question. As you know, this is a judicial decision over which the President has no control, and that case is being appealed. I think it would not be proper for me to comment on it, as President, about what ought to be taking place in the future.

JUSTICE FOR MINORITIES

To go back quickly to the previous question, the Solicitor General of our country, working very closely with but independently of the Attorney General, is a very distinguished black judge named McCree, from Detroit, Michigan. So I would think that under Griffin Bell's leadership and with his very good representation in the new organizational structure of the Attorney General's office in the Department of Justice, that we would not have innocent people going to jail any more who happen to be black.

I didn't answer the previous person because it was not in the form of a question. But I think you'll be satisfied with that, too.

Maybe one more question before we all get wet.¹

¹ It was raining at the time of the question-and-answer session.

MENTAL HEALTH PROGRAM

Q. All right. This is going to be a short and simple question. I know you are hard up for time.

I'm interested in serving as a volunteer on Rosalynn's mental health committee. I've had experience in the northern Virginia area, and I believe the national level would be more effective. How could I accomplish my purpose?

The second portion of this is, when are you going square dancing again? We missed you at the last one. You were to show up but you never did come. This was on the 21st of January.

THE PRESIDENT. I know. Well, my wife and I have done a lot of square dancing in our lives, both the old-fashioned kind and the more structured, Western kind of square dancing. And we are sorry we missed the square dance on the 21st. There was a limit of how much we could do in those first 2 days. I can't give you a specific answer.

I can say that if you are interested in serving on my wife's effort to bring together a comprehensive mental health program, contact her directly. And if you have trouble with contacting my wife, there is no place that you can appeal to. She's the top person in the family.

Q. Thank you, Mr. President.

THE PRESIDENT. Let me say one other thing in closing. I don't claim to know all the answers. I come here to let you know of my interest in what you are doing. I've come here to let you know that I have complete confidence in Brock Adams, who is going to be, I think, a superb leader and a great Secretary of Transportation.

Third, I want you to know how intensely interested everyone who lives in our Nation is in what you are doing here and what you will do in the future. I want you to know about my personal interest in the evolution of a comprehensive transportation policy which we don't have.

I also want to be sure that there is a minimum amount of compartmentalization in your own Department. We need a cohesive approach to transportation.

And also, I come to let you know, as I said a little earlier, that we are equal partners in this effort. I'm no better than you. You are no better than the people who look to you for service throughout the country, in local and State office, and also among private citizens. And I want to be sure that all of us feel a sense that we can make changes, and that those changes will be beneficial and that, because of them, you professional public servants can have a more productive career life. I want to be sure that whatever changes are made through zero-base budgeting, through reorganization, are initiated by you.

And I want to assure you, also, that one of the primary considerations that I will always have is to make sure that your own lives, your own families, are not disturbed by changes brought about through improvement which affects your own careers. We're not going to fire people as a result of reorganization. We're not going to demote people as a result of reorganization. We might have to transfer some, but if so, we'll train you at Government expense. And I want to make sure that you are part of the whole process.

I'll do the best I can to be a good President. I'll do the best I can to make you proud of me. And I hope all of us together can restore to our Government the fine professionalism and the sensitivity about our people's needs and the efficiency and economy and good management that the American people deserve, so that we can prove that the Government itself, which we represent, can be equal to the quality of those who look to us for both leadership and for service.

So I'm with you on it. I believe we can make the American people proud of us and our administration.

Thank you very much.

NOTE: The President spoke at 1:47 p.m. in the Department of Transportation building's center courtyard. Prior to his remarks, he made a brief tour of the Department's Information Center.

Department of State

*Remarks and a Question-and-Answer Session With Department Employees.
February 24, 1977*

SECRETARY VANCE. Ladies and gentlemen, the President of the United States.

Mr. President, on behalf of all of the members of the State Department, we wish you the warmest welcome and thank you for coming to visit us here today.

THE PRESIDENT. Thank you very much. I am glad to be here.

This has been perhaps the Department on which I've placed the heaviest responsibility for instructing me. I've got a lot to learn, and I've had superb support from all of you during this first month or so that I've been in office.

ADMINISTRATION POLICIES

I think it's accurate to say that in many parts of the world, the problem areas in particular, there was just a clinging to the status quo, waiting for a new administration to take over in our powerful and great Nation. It's not because of me. It's because of our country and because of the hope that exists among people of all kinds in all nations that we might set an example in the relationship among nations and in the search for peace, and also, I might add very strongly, in the preservation of our deep and unchanging commitments to basic human rights. I will never change that commitment, and

I know that all of you will maintain this commitment with me.

I am very grateful, too, that we have achieved so quickly and so completely a harmonious relationship among the Cabinet officers who serve with me—State, Defense, Treasury, Office of Management and Budget, Commerce, and others. I can tell you in the most accurate way that there is no disharmony. We have open, frank discussions. Sometimes we have tough, sharp debate in the Cabinet meetings that take place every week. But there is no remnant after those Cabinet meetings are over of animosity or divisions or lack of an easy communication among those who are responsible, along with you, for the evolution of our attitude toward foreign countries or domestic affairs.

I am very grateful, too, that Cy Vance has been able to start an evolutionary process of depending in a heavier and heavier way on the superb intelligence and training and background and experience and sound judgment of professional Foreign Service officers and those who support them.

I don't want to ever see a concentration of complete authority within one person, because when that is done, there is a great neglect of that reservoir of talent and ability that exists among all of you and those who work with you in foreign countries.

I am determined that every single selection that I ever make, working with Secretary of State Vance and others, is on the basis of merit and nothing else. And I want to root out once and for all the cheap political appointments that sometimes in the past have been an embarrassment to our own country and sometimes an insult to the nations to whom we send diplomatic officials to represent us. I want this sense of professionalism and soundness and cohesiveness

in a common purpose to be an integral part of this crucial Department of our Nation.

As I said earlier, I have a lot to learn and we are now probing to see what the differences are which exist between ourselves and other countries and even among other countries. And we will add our good services in those areas of the world where we are called upon to do it. We can't impose our will on the disruptive nations in the Middle East, but we can search among them as a catalyst for grounds for agreement, particularly those that are expressed quietly and confidentially to us. And when we see fit, without timidity or without constraint, we will use our influence to bring together disparate ideas in nations which in the past have not been able to agree.

We will do the same thing in the Cyprus and the Turkey-Greek relationships, and in southern Africa, with our bilateral relationships with Panama, and other parts of the world who look to us for leadership. This, I think, is a proper role for our country to play.

As I said many times during the campaign, for over 2 years, I want everything that we do in dealing with other nations to be compatible with the hopes and the dreams and the attitude and the morality and the respect for individuality of each human being to be mirrored in our foreign policy.

I think in many times past, and particularly in recent years, there has been a vacuum in international affairs. For some nation which can exemplify with constant reassessment of our own position, those basic commitments that ought not ever to change.

I want to be sure that when Cy Vance speaks or when I speak that it's the absolute truth. I want over a period of time other nations to know that if our country makes a commitment, it will be honored.

And I want us to tell the Saudi Arabians and the Syrians and the Egyptians and the Lebanese and the Jordanians and the Israelis the same thing, so that there never is any sense of being misled. These are the kinds of hopes that I have, that I believe can be realized.

We've got, additionally, a responsibility to let the American people know what challenges we face and the possible resolution of problems and the possible answers to complicated questions. I don't want to give anyone a false sense that the answers are easy or that the solutions will necessarily come quickly. But we will be tenacious and determined in our search for a greater world peace.

The final point I want to make before I answer your questions is this: We have some potential adversaries and some past adversaries with whom we want to have better relationships. And that applies to Vietnam and Laos and Cambodia. It applies even to North Korea and to Cuba. It applies to the People's Republic of China and to Russia and to countries like Iraq. With some we have relations; some, as you know, we do not. But our constant search will be to find common ground on which we can reach agreement so that we can set an example for the rest of the world in a friendly and mutually respectful attitude.

I have been pleased so far at the response that has been received from our embryonic efforts to carve out grounds for understanding and peace. I think so far the Soviet Union has responded well. And we will continue these kinds of efforts, sometimes anticipating discouragements. But we will not be deterred, and we will not be discouraged ourselves.

I want the American people to be part of it. I am going to have a press conference at least twice a month. I will have frequent fireside chats. My next one will be devoted exclusively to foreign affairs

and defense matters. And I am going to have trips around our country where I might meet in town meeting forums. And we will have call-in type radio programs so that people can ask me questions about domestic and foreign affairs and so that to the best of my ability I can give them straight answers.

I think that when our country speaks, it ought to speak with a strong voice. And when a foreign policy is evolved, even though it might be the right foreign policy, exclusively by the President and the Secretary of State, and then promulgated to the world without the understanding or participation of the Congress, the other Cabinet members or the people of our country, the rest of the world knows that the President and the Secretary of State, powerful people, still speak with a hollow voice. So to the extent that you are involved in the evolution of an idea or a new approach or a consistent old approach, to that extent, we will all be strengthened.

We are partners. I can't succeed as President unless you succeed. And if you make a serious mistake, I am the one who will be the focal point for that criticism and that despair and that disillusionment that will follow. I think when we do make a mistake we ought to be frank about it and say we erred and this is the corrective action that we will take. And we will try to correct our error, and we will try to do better next time.

I think the American people will respond well. And I think other nations that look to us for leadership will respond well, also.

I want to make sure that we eliminate in our own country those vestiges of hatred or discrimination or deprivation of human rights that we still retain so that when we do criticize other countries, or when we do speak out to deplore the loss of those

rights in other nations, that we, ourselves, might be free of justified criticism.

Well, all these matters that have just come to my mind as I stand here before you are important to us all. And I just want to be sure that we work in harmony to alleviate tensions and to reinspire those who can legitimately, I hope, in the future look to us for justified inspiration.

I would be glad to answer any questions that you might have or I will refer the questions I can't answer to these notable people behind me.

QUESTIONS

FEDERAL PAY INCREASE

Q. Mr. President, my question is: According to the news media, you wholeheartedly supported the congressional and top Government employees' raise. Will you not now give low Government employees the same support in their raise?

THE PRESIDENT. As an example of my sensitivity to the needs and yearnings of our people, I can detect that this question is very interesting to all of you. [Laughter] Well, I can't promise that whatever proposal is put forward that I would support it. But I know that I can't succeed as President without your cooperation and your trust in me.

As you know, my salary was not raised. I didn't think it ought to be. [Laughter] We do have in some instances excessive grade creep, too many people in the higher levels of the pay grades. And that has got to be corrected over a period of time. I want to be sure that the correction is made without hurting any of you.

And rather than demoting those who have been promoted too high, I would rather, through normal attrition—that is, resignations, transfers, and retirements on your own initiative—let those vacancies be created in the higher levels where they are overloaded at this point.

Additionally, I want to be sure that we have, as a result of reorganization, no one who is a professional damaged in your own family lives, in your own economic status, or seniority position. And we have enough attrition within the Federal Government, about 10 percent a year, to take care of those changes.

So, I would say with those qualifications, my answer would be yes. I am very eager to see those who serve well, as do you, rewarded in a financial fashion and also in recognition of your good work.

So, I did feel that there was one mistake made in the recent pay increases, the way the law is written. I don't think that the pay increases for Federal Judges, Members of Congress, or top-level employees in the Federal Government ought to go into effect until after the next general election. I think that that would be a reassuring thing to the American people because quite often they don't think that the high level pay level increases should be changed. And I think if it was consummated after the next general election that one problem would be alleviated.

So, I will certainly be very much aware of your needs. And, in general, with those qualifications I will be supportive of treating you as fairly as we have the higher levels of Government.

FEDERAL REORGANIZATION

Q. This question regards your talk about reorganization and reform. As you probably know, the State Department has been the object of so-called attempts at reform during the last 25 years many more times than any other part of Government—on the average of once every 2 years we estimate it. Most of the times these efforts at reform have failed because of certain problems in their conceptualization and their implementation. They've been quick fixes, developed in isolation from the real problems of the operational

side of the organization, lacking commitment on the part of the leadership to follow up on them and let them flounder without follow-through.

I wonder, as you approach the question of reorganization and reform in Government, how you propose to avoid these pitfalls and, specifically, how do you propose to engage the career services in the process of designing your reorganization and reform?

THE PRESIDENT. I presume that other than the things you mentioned you liked the previous efforts, right? [*Laughter*]

You may be surprised to know that the last three reorganization proposals for the State Department I have studied myself. And I agree with your analysis of them. There were some excellent ideas in some of those reorganization proposals. They were not carried out for several reasons that you have described very well.

In the first place, under the zero-base budgeting technique, which I think all of you will like and which will be used in its entirety to prepare the next budget, you will in a mandatory way be involved in the evolution of the next budget, the establishment of priorities for expenditure of your own human and financial resources, the elimination of obsolete programs, the change and modification of those that have been in effect for a long time, and the promulgation of new ones that might take place for the first time next year.

At the foreman level—speaking in business terms—an analysis would be made, using one side of one sheet of paper, what you think can be done to make your own professional careers more effective. As a result of those first studies, which will be completed I would say no later than this August, we will have a fairly clear picture within this Department of what you think your Department ought to be like. And any sort of reorganization effort that Cy-

rus Vance recommends to me I would like for you and him and the other leaders in this Department to know that it ought to start with you, so that you might say this is what we think ought to be done and work its way up in that fashion.

I am deeply committed to the principle that we ought to have an efficient, economical, well-organized, well-managed Federal Government, so that it can be sensitive to our people's needs, so that excessive secrecy might be stripped away, and so that we can take maximum advantage of your own talents and abilities.

So, with the zero-base budgeting and that concept of reorganization, I think I can assure you that the next reorganization proposal that comes for the State Department will be originated by you, it will be well advised, and it will also be implemented.

FOREIGN ASSISTANCE

Q. Mr. President, speaking of reorganization, do you see a specific direction for the U.S. foreign aid program or any new emphasis on new programs?

THE PRESIDENT. Well, I think we do need a substantial change in our foreign aid programs. They are so diverse—some, as you know, with institutional aid through the World Bank and regional banks, through IMF loans and so forth, some strictly bilateral aid to individual countries, some for a region, some with loans, some with direct grants—that the whole thing has gotten confused.

Cy Vance and I were talking about this very subject on the way up on the elevator, and we are now going to the Congress to ask the Congress Members to honor this Nation's commitment for our pro rata share of support for some of these multilateral aid programs.

We have up until now defaulted on the word of honor of our country. We have promised in effect that if Great Britain

and Germany, and France and other countries will contribute a certain amount to an international lending institution that we will also contribute a certain amount.

Other countries have kept their word. We have broken our word so far. So we are going now to the Congress and say: "Would you just honor the commitments that our Nation has made?" I think the American people that can understand that will go along with it.

Governor John Gilligan, who has good experience in management and who has a great sensitivity, has now come to help us with this program. And the analysis of the entire aid program will be presented to me, looking at it in an overall fashion. And I believe that it can be, within the present levels of funding and perhaps with an expanded level of funding in the future if it's saleable to the American people and the Congress, be much more effective.

So, I think I understand the problem. I don't understand the answers yet. But I believe that, with these people behind me with your help, we can have a comprehensive aid program, that will be of great help to the nations who need it and which will also be coherent and understandable, and which will be a source of pride and not embarrassment to the American people and the Congress.

I believe in that way we won't have to worry in the future about a constant annual fight just to meet our commitments that have already been made in the past.

PUBLIC SERVICE EMPLOYMENT

Q. During one of the debates you were asked how you were going to create more jobs. You mentioned a program similar to the Civilian Conservation Corps with Government funding.

How do you plan to cut Government spending and streamline the bureaucracy

if you add to it programs such as the CCC? Do you not think it would be better to stimulate the private sector by giving them tax incentives to create more jobs, especially—[inaudible].

THE PRESIDENT. The question was that during the campaign I promised to create a job opportunity program for young people similar to what the CCC did—the Civilian Conservation Corps—during the depression years. And how can I carry out that promise without creating an additional bureaucracy, and wouldn't it be better through tax incentives and other means to create new jobs in the private sector.

I think the answer to that question, which is quite complicated and of great concern to me, can best be answered in our own economic stimulus package that has been presented to the Congress. This package, which consists of about \$30 billion over a 2-year period, I think, is carefully balanced. It's a program that does consist of tax reductions. For the average family in our country that makes about \$10,000 a year, their tax bill for 1976 will be reduced about 30 percent with a direct and hopefully quick rebate. This will provide about \$11.5 billion of new spending capacity in our country which will encourage the production of goods, particularly consumer goods, which are highly labor-intensive and will put a lot of people to work, all in the private sector.

We've also pursued good housing programs. We've added about \$15 billion in our budget which will be spent over the next 40 years to increase construction of housing. Of course, houses are all built within the private sector.

We've increased our allocation of funds also to things like better water pollution control. Although part of the money comes from the Federal Government, the jobs are created in the private sector.

We have created some public service jobs. These in many instances are temporary, sometimes they are permanent. They will be taking place among young people, for instance, in our National Park system, where we have a real need for additional employment. I hope that these will lead to permanent employment in areas where your employees are needed after a training program.

But I saw from my own very early life, I was not old enough to participate, that the CCC program did permit young people to have a job experience. It removed the necessity for them to be permanently dependent on the Government for welfare payments—at that time there was no unemployment compensation payments.

And I believe this is a better alternative. We are supporting these people anyhow, young people, 20, 25 years old, who have left their own home. They are eating; they are sleeping; they are wearing clothes; they are getting medical care. That help is coming to them in many instances through Government handouts.

And my own approach to it is to spend approximately the same amount of money giving them a useful job, which will restore their own self-respect and hopefully lead to permanent independence on the part of that person.

I am determined to hold down the total Government employment. On the first day of January this year it was about 1,902,000 employees, full-time employees. It's been growing very rapidly the last few years. I can't say that there won't be any more growth, but I've asked all the Cabinet members to hold down their inclination to increase employment in the Federal Government structure.

So, my own basic political philosophy is toward the private sector. In some instances, though you have to use Government programs to instigate new growth in the GNP.

As you know—to close this long answer—I've set three or four goals for my own administration. I am working toward them very hard. One is to have a balanced budget by fiscal year 1981; secondly, to cut down the unemployment rate to 4.5 percent over the 4-year period. This is predicated on the hope that our GNP might increase about 6 percent a year and that business confidence might be restored so they will invest in new factories, in new plants, in new job opportunities. And of course it also is based on the fact that we are going to have a very strong anti-inflation effort. And very shortly, within the next couple of weeks, we will publicize a comprehensive list of things that do contribute to inflation. Many of them are hard to detect. I had never thought about a lot of them when I saw the first draft of this proposal.

So, inflation, employment, balanced budget, long-range projections of plans, a more efficient use of our resources are all parts of our program. So, I think that if you study the proposal we made to the Congress, it has a pretty good picture of the answer to your question. It's a difficult question to answer. And I can't say that we will meet all our goals; I believe we have a good chance to meet them all.

But I am determined to try.

EQUAL EMPLOYMENT OPPORTUNITY

Q. Mr. President, I am looking at your statement saying something to the effect of openness and frankness. And I know that you have only been in office for a short time, but the State Department—I am with AID—has been committed for several years to an affirmative action program. I don't know about the State Department, but it has been a dismal failure in AID. And if I looked at the 35 people across there, and I don't see a black face, I don't think it's been very effective in the State Department.

I would like to know, can you—or what will you do to get at least the Department to show some semblance of sensitivity toward this program?

THE PRESIDENT. I looked at them too when I came in. There are not many women behind me and there are not many minority groups. When I've gone to other departments, there have been a much greater percentage. We've tried hard to do this, and I think we are making some good progress. In the number of women, for instance, who occupy the top five grade levels, the executive levels of our Government, we will have, I would say, four or five times as many as any administration has in the past. In the number of black citizens who serve in those top positions, we will have four or five times as many as we've had in the past—three times as many; in Spanish-speaking Americans, three or four times as many. But that's a relatively small total number, although the percentage is great.

I think that the appointment of top-level position employees who are in minority groups or who are women will help in the long run to change that around.

In the Commerce Department, 50 percent of the top-level positions are now filled by women, for instance; several of them black. I think Griffin Bell has done a superb job in the Attorney General's office by bringing in top-level minority groups and women. It's a slow thing.

We now have a handicap in the lower levels of employment over which we presently have very little control as you know, because we have such a confused responsibility within the Federal Government for guaranteeing equal employment opportunities. I think we have seven different Federal agencies responsible for equal employment. We have a backlog of 130,000 cases. The average time from the initiation of a complaint to the resolution

of a case is about 3 years. And by that time, obviously the aggrieved party and the witnesses, and so forth, have moved or have dropped the case or it's become very expensive for them.

I hope to bring some order out of that chaos. I am waiting until I get authority from the Congress to reorganize to bring that into being. But my own commitment is totally to the resolution of this problem.

And I think, to be perfectly frank, that the State Department is probably the Department that needs progress more than any other. And I am determined that this will be done. It has historically been the case. And I think that Secretary Vance has made a great deal of progress already. But he and I will work together to bring a better answer to your question the next time I come over here in the future.

INTELLIGENCE ACTIVITIES

Q. I am concerned about the policy of openness in regard to intelligence activities. And I was wondering if it doesn't make it more difficult for our friends to confide in us and for those who are not our friends to take advantage of us?

THE PRESIDENT. I don't guess you had time to watch the press conference yesterday, which was during the working hours. I didn't get a chance to see it myself. I was shocked when I took office to learn about the number of different people who have access to highly secret, sensitive information on which the security of our Nation depends. There are about 75 people on Capitol Hill who have access to this very sensitive material. There are too many in the executive branch of Government. At the same time, I know that there is a need for checks and balances to be sure that we don't repeat the illegalities and improprieties that were revealed with the CIA and

other intelligence community agencies in the past.

I am conducting now a very careful analysis of the entire intelligence community. Admiral Stan Turner is going to be the new Director. He shares my commitment. But working with Cyrus Vance, with Admiral Turner, with Dr. Brzezinski, with the Attorney General, and with Harold Brown and myself, we are trying to evolve very rapidly what the intelligence community ought to be, what the limit of divulging of this material ought to be, and how can we at the same time guarantee to the American people that the abuses will be permanently eliminated.

In the last 2 or 3 days, I've had a chance to meet with the congressional leaders. I have hopes, which may or may not be realized—it's not in my control—that we can have one joint congressional committee with a limited membership to whom we can reveal what is going on in its entirety within the confines of the intelligence community. So, we will have a key group of Congress—very small—myself, the Intelligence Oversight Board, which is an independent agency to whom anyone can come and give complaints or revelations, the Attorney General, and let that be it.

We are not in the position where some of our key intelligence sources are becoming reluctant to continue their relationship with us because of the danger of their being exposed in the future.

Now, I also pointed out to the press yesterday that many of the recent public revelations have been erroneous. I have written two letters to foreign leaders apologizing for them after I checked the CIA files to find that the published reports were completely in error. Others had some degree of accuracy within them.

I have reviewed all of the correspondence between the Intelligence Oversight

Board and President Ford last year. The Attorney General was involved. I have not detected any instance of an impropriety or an illegality that is presently being conducted or that was conducted in the last 6 or 8 months, as far back as my study went.

And I think it's good for the American people to know this. But we have got to have a good intelligence system in order to protect the security of our country. We sometimes relax too much in peacetime. We've got to establish this relationship on a permanent, workable basis while we are at peace. It's one of the best means to make sure we don't have war. And if we should ever be in danger in a time of crisis, it's too late to build up an adequate intelligence community, including our worldwide system of information.

So, your question is a very good one. And this is a matter that presses on me in a very personal way. And I think I can tell you that within the next couple of months your questions will be answered satisfactorily. I've had good response from the Members of Congress. There are now six committees in the House that have access to this information by law. The Speaker has indicated yesterday to the Vice President that he would favor one joint committee. Whether that will be feasible, I don't know, but that's our hope in the Congress.

And I will do the same thing in the executive branch of Government to make sure we do have adequate oversight, but also at the same time an adequate degree of privacy and secrecy in things that ought not to be revealed.

Maybe one more question.

AGENCY FOR INTERNATIONAL
DEVELOPMENT

Q. I would like to know how can AID, with all the reorganization that is going on in the Federal Government, with the low-

ering of Government spending, how can AID be allowed to spend a quarter of a million dollars to move a portion of its agency into buildings when the overall object of AID is to get the people into two buildings rather than have them scattered all over the Washington area?

THE PRESIDENT. That's a question that I can't answer. *[Laughter]*

The question was that when we are short of money for the AID program, how can we, as was expressed, waste a quarter of a million dollars moving AID personnel to a building when the purpose ought to be to bring the AID people together.

I don't know the background of the question. I don't know the answer. But if you would permit Secretary Vance to give you an answer to your question later on, I will pass that question on to him.

Since I couldn't answer that question, I will try another one. I hate to end up on a question I can't answer. *[Laughter]*.

FREEDOM OF INFORMATION

Q. Mr. President, I would like to know if you are aware of the increased amount of requests for freedom of information material that is going to be released or will be released which I think in the future might come back to haunt us?

THE PRESIDENT. I am familiar with the problem. In general, I favor the freedom of information laws. I think that one thing that we might do within the bounds of the law, which I doubt could be repealed even if we wanted it to be, is to restore the trust of the American people in us.

When there is a sense among American citizens that they are being misled or that illegalities are taking place within our own Government, like the plotting of assassinations or murders and so forth, or when they feel that their own rights are not being protected by their own Government, I think under those circumstances

that there is an excessive pressure on Government for information. If that same citizen had a sense that he could trust us, there would be much less inclination to demand access to the files.

I am not sure that I've answered your question adequately but that's one approach to it.

And I think I might, as President, assume more responsibility in that field. When I learn more about it, when I have a little more time in office, when the people have a more accurate sense of what I am and what I stand for, I might very well point out to the American people in a press conference or otherwise that this has become a problem for us, and just as a matter of idle curiosity or just to test the law, for them to refrain from asking for this information. If they genuinely need it, we will provide it. But I think that the first few months of a new law like that, there is an inclination on the part of those who have fought for it just to test it, to see if they ask for something, can they really get it.

So, I hope that with those two or three approaches that we might take within the bounds of the law that we can minimize the burden on us in months to come. I hope so.

Let me say this in closing: I think we've made good progress in the first month in learning about one another and in my learning about the Federal Government, in seeing the extent and the limitation of my own influence in the White House, in learning about foreign countries and their inclinations toward us, the problem areas that we can address and those that we ought to avoid addressing for a while. I think that we've got a good sense around the world of what we are trying to do already.

I can't think of any time in human history, for instance, when there has been such a worldwide concern about human

rights. And both nations that are founded on freedom and those that are founded on totalitarian governments are now doing some reassessments and saying, what are our policies toward our own citizens and what does the rest of the world think about us?

So, even in these early, few days, we are making some progress. I've got to be careful not to make a serious mistake. At the same time, I've got to be careful not to be too timid, and when I make a judgment, that it's a proper one. And that's where you come in, because collectively, you have a sense of what the world is and what the world might be.

I want to be a good President. And I want to serve in such a way that you won't be disappointed in me. But my good relationship with you and the other senior officials in this Department are the basis on which I might succeed.

So, we are partners, and I believe together we can give the American people an accurate sense that they have a good government in what is and always has been the greatest nation on Earth.

Thank you very much.

NOTE: The President spoke at 2:37 p.m. in the Dean Acheson Auditorium at the Department of State, after having toured the Department's Communications Center. While at the Communications Center, the President typed a message on a teletype machine linked to the United States Embassy in Paris, in which he greeted all State Department employees stationed overseas.

Meeting With Secretary General Kurt Waldheim of the United Nations

Remarks of the President and the Secretary General. February 25, 1977

THE PRESIDENT. I would like to say that I am very deeply grateful that Sec-

retary General Waldheim and his wife Elizabeth and his beautiful daughter Christa have come to be with us at noon today.

This is not an official meeting but is one of great importance. It is going to be a working luncheon.

We have been greatly impressed at the ability of the Secretary General in his travels around the world to the trouble spots that concern us all to search out common ground on which future peaceful agreements might be reached. His recent reelection as the first leader of the world is an indication of his stature among all those who participate in the United Nations deliberations.

This is a year, I believe, when he and I will be drawn much closer together than perhaps has been often the case in the past. And I think it is accurate to say that my appointment of Ambassador Andrew Young to the United Nations and the close relationship that Ambassador Young and Secretary of State Cyrus Vance and I have with each other will provide a common base on which we can demonstrate to other nations of the world our deep commitment to the United Nations and what it stands for—peace in the world and a commitment to human rights, which has been the characteristic of Secretary General Kurt Waldheim in his long experience and service as one of the world's foremost diplomats.

So, we welcome you here, and your family, Kurt Waldheim. And I look forward to a long and continuing and, hopefully, mutually successful effort between our country and the United Nations to bring about peace in the world and to protect human rights and to meet those needs that are so vivid in our world today.

Welcome to the White House.

THE SECRETARY GENERAL. *Mr. President, Mrs. Carter:*

Mr. President, I thank you very much for this kind invitation and also for the warm welcome you just extended to us.

We are deeply grateful to you for having invited us so soon after taking over your office as President. And I consider this a good omen for the future cooperation between the United States of America and the United Nations. After all, the United States was the birthplace of the United Nations, and it is the host country of our great organization. And, if I may, it is also one of the strongest supporters of the United Nations.

So, I am indeed very happy to be here in Washington for this official visit which will give me an excellent opportunity to exchange views with you, Mr. President, and with the Secretary of State and members of the Cabinet.

At a time when the world is faced with many old problems, but also with many new ones like human environment, like energy, population explosion, and the relationship between the industrialized world and the developing countries, we need the support of all nations and especially the strong ones.

So, I am most grateful to you, Mr. President, for the great interest you have shown right from the beginning in all of these problems. And I am confident that you will give us the support we need in order to solve these many problems.

Before concluding, I wish to extend to you personally, Mr. President, to Mrs. Carter, to your family, as well as to the people of the United States of America, my very best wishes for a happy and prosperous future.

NOTE: The President spoke at 11:17 a.m. on the North Portico at the White House.

Department of Defense

Nomination of John M. Sullivan To Be an Assistant Secretary. February 25, 1977

The President today announced that he will nominate John M. Sullivan to be an Assistant Secretary of Defense (Manpower and Reserve Affairs). Sullivan is the owner of Haug Die Casting Co., in Kenilworth, N.J., and founder of John M. Sullivan Co., in Jenkintown, Pa.

Sullivan was born in Brooklyn, N.Y., on December 18, 1924. He graduated from the U.S. Naval Academy in 1946 (class of 1947).

From 1946 to 1949, Sullivan served as a radar officer on the U.S.S. *Providence*. In 1949 he took flight training in Pensacola, Fla., and in 1950 became a naval aviator. He served on the U.S.S. *Midway*, specializing in tactics of close air support.

After leaving the Navy in 1954, Sullivan was a sales engineer for the Dolan Corp., and a manufacturer's agent. In 1961 he founded the John M. Sullivan Co., which markets industrial components.

Sullivan was coordinator of the Carter Presidential Campaign for the Pennsylvania primary in 1976. He and his wife were Carter delegates at the Democratic National Convention.

He is married to the former Mary Maxine Williamson. They have six children and reside in Jenkintown, Pa.

Department of Defense

Nomination of Gerald P. Dinneen To Be an Assistant Secretary. February 25, 1977

The President today announced that he will nominate Gerald P. Dinneen to be Assistant Secretary of Defense. Din-

neen is director of MIT Lincoln Laboratory in Lexington, Mass.

Dinneen was born in Elmhurst, N.Y., on October 23, 1924. He received a B.S. degree in mathematics from Queens College in 1947 and an M.S. and Ph. D. (1952) from the University of Wisconsin. From 1943 to 1946, he served in the Army Air Corps.

From 1951 to 1953, Dinneen was senior development engineer at Goodyear Aircraft Corp., in Akron, Ohio. In 1953 he joined the staff of MIT Lincoln Laboratory as a staff member in the data transmission group.

In 1958 Dinneen became section leader and then assistant leader of the data processing group at Lincoln Laboratory. In January 1960 he became leader of that group. In February 1960, he became associate head of the information processing division and a member of the Lincoln Laboratory Steering Committee.

Dinneen became associate head of the newly formed communications division at Lincoln Laboratory in 1963 and head of that division in 1964. In 1966 he became associate director of Lincoln Laboratory, and in 1970 he became director.

In 1971 Dinneen became a professor of electrical engineering at MIT. He was vice chairman of the Scientific Advisory Committee of the Defense Intelligence Agency from 1966 to 1973, and vice chairman of the Committee on Undersea Warfare of the Naval Academy of Sciences from 1968 to 1973.

In 1976 Dinneen was appointed a member of the Technical Advisory Committee of the FAA. He received the Exceptional Civilian Service Award of the U.S. Air Force in 1966, and a Navy Certificate of Commendation in 1972 for his service on the Committee on Undersea Warfare.

Dinneen is married to the former Mary Purington. They have two daughters and a son and reside in Concord, Mass.

Department of Defense

Nomination of David E. McGiffert To Be an Assistant Secretary. February 25, 1977

The President today announced that he will nominate David E. McGiffert to be an Assistant Secretary of Defense (International Security Affairs). McGiffert is presently a partner in the law firm of Covington and Burling.

McGiffert was born in Boston, Mass., on June 27, 1926. He received a B.A. from Harvard University in 1949, attended Cambridge University in Cambridge, England, in 1949-50, and received an LL.B. degree from Harvard Law School in 1953. He was a radio technician in the U.S. Navy from 1944 to 1946.

From 1953 to 1955 and from 1957 to 1961, McGiffert was associated with Covington and Burling. In 1956 he was a lecturer in law at the University of Wisconsin.

From 1962 to 1965, McGiffert was Assistant to the Secretary of Defense (Legislative Affairs). From 1965 to 1969, he was Under Secretary of the Army. Since 1969 he has been a partner in the firm of Covington and Burling.

McGiffert participated in the Defense and Arms Control Study Group of the Democratic Party's Foreign Affairs Task Force from 1974 to 1976. He contributed position papers to the Carter transition team.

McGiffert and his wife, Enid, have two children and reside in the District of Columbia.

Personal Statements of Cabinet and Cabinet-Level Officers

***Announcement of Release of the Documents.
February 25, 1977***

The White House today released, in an unprecedented action, personal statements from 15 Cabinet and Cabinet-level officers disclosing their financial situations, detailing steps they are taking to avoid conflicts of interest, and expressing their commitment to avoid certain activities following their Federal service.

The release of the documents fulfilled a campaign promise by President Carter and represented the first time a President had required public disclosure of such information from his top officials.

The statements came from:

SECRETARY OF AGRICULTURE BOB S. BERGLAND
SECRETARY OF COMMERCE JUANITA M. KREPS
SECRETARY OF DEFENSE HAROLD BROWN
SECRETARY OF HEALTH, EDUCATION, AND WELFARE JOSEPH A. CALIFANO, JR.
SECRETARY OF HOUSING AND URBAN DEVELOPMENT PATRICIA ROBERTS HARRIS
SECRETARY OF THE INTERIOR CECIL D. ANDRUS
ATTORNEY GENERAL GRIFFIN B. BELL
SECRETARY OF LABOR F. RAY MARSHALL
SECRETARY OF STATE CYRUS R. VANCE
SECRETARY OF TRANSPORTATION BROCK ADAMS
SECRETARY OF THE TREASURY W. MICHAEL BLUMENTHAL
CHAIRMAN OF THE COUNCIL OF ECONOMIC ADVISERS CHARLES L. SCHULTZE
NATIONAL SECURITY ADVISER ZBIGNIEW BRZEZINSKI
DIRECTOR OF THE OFFICE OF MANAGEMENT AND BUDGET THOMAS B. LANCE
U.S. REPRESENTATIVE TO THE UNITED NATIONS ANDREW YOUNG

Each statement consists of five parts. These are: a summary of action taken to avoid possible conflicts of interest, a statement of net worth, a statement of 1976 income, a statement of personal affiliations, and a letter of commitment to the President.

The last item commits the signer to avoid employment for 2 years following government service that would result in financial gain because of that service.

NOTE: Copies of the 15 statements were released by the White House Press Office.

Department of Commerce

Nomination of Jerry J. Jasinowski To Be an Assistant Secretary. February 25, 1977

The President today announced that he will nominate Jerry J. Jasinowski to be an Assistant Secretary of Commerce (Policy). Jasinowski has been serving as an economic issues coordinator and liaison officer for the Carter-Mondale Campaign and Transition Team.

Jasinowski was born in LaPorte, Ind., on January 4, 1939. He received a B.A. in economics from Indiana University in 1962 and an M.A. in economics from Columbia University in 1972.

From 1962 to 1972, Jasinowski served with the United States Air Force and was stationed in Texas, Okinawa, New York, and Colorado. He was an intelligence officer until 1967 and a teacher at the Air Force Academy from 1967 to 1972. He held the rank of captain.

From 1972 to July 1976, Jasinowski was senior research economist for the Joint Economic Committee of the U.S. Congress. In July 1976, he joined the Carter-Mondale campaign as economic issues coordinator. He also served as a staff assistant for economic issues on the 1976 Democratic Platform Committee.

Jasinowski has written several papers on economic matters and has been a member of the American Economic Association.

He is married to the former Rosemary Wright. They have one son and reside in the District of Columbia.

Review of Advisory Committees

*Memorandum for Heads of Executive
Departments and Agencies.
February 25, 1977*

*Memorandum for the Heads of Executive
Departments and Agencies*

Subject: Review of Advisory Committees

Advisory committees can be of great value. They may contribute to the "openness" of governmental decisionmaking, and provide talent and opinions not otherwise available. However, many existing committees have outlived their usefulness, or are not providing truly balanced advice and recommendations.

The Congress reflected a similar concern in the Federal Advisory Committee Act (P.L. 92-463), which assigned committee management responsibilities to the President, to the Director of the Office of Management and Budget, and to the heads of agencies. In the first year after enactment, the number of committees was reduced by 250—and the number has remained about the same ever since.

Accordingly, I am ordering a government-wide, zero-base review of all advisory committees, with the presumption that committees not created expressly by statute should be abolished except those (1) for which there is a compelling need; (2) which will have truly balanced membership; and (3) which conduct their business as openly as possible consistent with the law and their mandate. The Director of OMB will provide you and your staff with instructions for carrying out the agency reviews, which are to be completed and submitted to OMB by April 15, 1977. Each agency should provide for open and public participation in its review process to the maximum extent consistent with an expeditious review.

I also urge you to confer with Congress about abolishing any advisory committees

created by statute which you do not believe meet these standards.

I consider this an important part of our effort to improve the organization and effectiveness of government. To ensure that it is successful, I am requesting that you assume personal responsibility for the review insofar as your agency is concerned.

I hope for prompt results from this effort. Specifically, I hope that the number of advisory committees will be sharply reduced, and that appropriate changes in membership will be made wherever necessary. Moreover, I want you to undertake a continuing effort to assure that no new advisory committees are established unless they are essential to meet the responsibilities of the government.

JIMMY CARTER

NOTE: At the time of the release of the memorandum, the White House also released information on existing advisory committees which stated that in 1976 there were 465 advisory committees authorized, but not mandated, by law, which cost \$17.8 million; 482 advisory committees established under general statutory authority of department Secretaries or executive or independent agency heads, which cost \$15.3 million; and 209 advisory committees created by statute, which cost \$20.7 million.

Red Cross Month, 1977

Proclamation 4489. February 25, 1977

*By the President of the United States
of America*

A Proclamation

For 96 years, the American Red Cross has symbolized the best in our society. Its hundreds of thousands of volunteers have generously given of themselves to provide a wide range of important, necessary services.

Many Americans think of the Red Cross in connection with disaster relief. It is

right that they should. Last year the Red Cross responded more than 32,000 times—once every sixteen minutes, on the average—to disaster situations in our country, coping with the emergency needs of victims and doing those things that a good neighbor does in time of trouble.

But the Red Cross does much more. Through its network of blood centers and with the help of voluntary donors, the Red Cross meets over half the country's needs for blood—an essential resource for healing the sick and injured. The men and women of our armed services depend on the Red Cross for emergency contact with their loved ones, for counseling, and for financial assistance. And the Red Cross provides trusted, reliable programs to educate Americans in first aid, home nursing, and water safety.

Traditionally, March is Red Cross Month. During this period I hope all Americans will reflect on the selflessness that has led so many of our neighbors to serve the Red Cross—and their fellow Americans—with their time, their energy, and their love. We can follow their example by supporting our local Red Cross chapter.

NOW, THEREFORE, I, JIMMY CARTER, President of the United States of America and Honorary Chairman of the American National Red Cross, do hereby designate March, 1977, as Red Cross Month. I urge all Americans to give generous support to the work of their local Red Cross chapters.

IN WITNESS WHEREOF, I have hereunto set my hand this twenty-fifth day of February, in the year of our Lord nineteen hundred seventy-seven, and of the Independence of the United States of America the two hundred and first.

JIMMY CARTER

[Filed with the Office of the Federal Register,
4:04 p.m., February 25, 1977]

Red Cross Month, 1977

*Memorandum for Heads of Executive
Departments and Agencies.
February 25, 1977*

*Memorandum for Heads of Executive
Departments and Agencies*

I have just issued a proclamation which designates March as Red Cross Month.

This has been an especially tragic year for hundreds of thousands of our fellow-countrymen left destitute by disasters. The Red Cross—once every sixteen minutes—has helped bring relief in disaster situations in what has proven to be the costliest disaster year in its 96-year history.

I am a Red Cross blood donor myself and I know the value of its Blood Program's efforts to insure that we constantly have an adequate supply, voluntarily given. Also, through the Red Cross, we help the millions of men and women in uniform, veterans and their families cope with emergency situations and provide knowledge and skills to prevent accidents and save lives through training in first aid, water and boating safety, and health and nursing courses.

Within the Federal Government, the Red Cross is a part of the Combined Federal Campaign, but more than half of its 3,000 chapters raise all their funds in March. *All* chapters use the month to inform the public of Red Cross services available to citizens and to recruit new blood donors and volunteers.

As President of the United States and Honorary Chairman of the American National Red Cross, I urge all civilian employees of the Federal Government and members of the Armed Forces to support

this vital voluntary effort to the best of their ability.

JIMMY CARTER

NOTE: The text of the memorandum was made available by the White House Press Office. It was not issued in the form of a White House press release.

Digest of Other White House Announcements

The following listing includes the President's daily schedule and other items of general interest as announced by the White House Press Office during the period covered by this issue. Events and announcements printed elsewhere in the issue are not included.

February 19

The President met at the White House with:

- Zbigniew Brzezinski, Assistant to the President for National Security Affairs;
- a group of university presidents to discuss how Federal regulations affecting educational institutions could be improved.

The President sent a message of personal condolence to the wife of British Foreign Secretary Anthony Crosland, who died today in Oxford, England.

February 21

The President met at the White House with:

- Dr. Brzezinski;
- senior White House staff members;
- the Cabinet;
- Vice President Walter F. Mondale.

The President has appointed Secretary of the Interior Cecil Andrus as a representative of the United States to the Susquehanna River Basin Commission and as a member of the Delaware River Basin Commission.

February 22

The President met at the White House with:

- Dr. Brzezinski;
- the bipartisan congressional leadership;
- members of the Committee on Selection of the Director of the Federal Bureau of Investigation;
- Vice President Mondale and representatives of the executive committee of the National Association of State Attorneys General;
- Prime Minister Trudeau of Canada;
- Bert Lance, Director of the Office of Management and Budget.

The President declared drought emergencies in 72 Mississippi counties and 21 Louisiana parishes. The declarations make Federal livestock feed assistance available to farmers in the drought-affected areas.

February 23

The President met at the White House with:

- Dr. Brzezinski;
- the National Security Council;
- Representative and Mrs. Jonathan B. Bingham of New York;
- Vice President Mondale, Senate Minority Leader Howard H. Baker, Jr., and House Minority Leader John J. Rhodes;
- Representative James R. Jones of Oklahoma and evangelist Oral Roberts;
- Counselor Vasile Pungan, personal emissary of Romanian President Nicolae Ceausescu, Secretary Vance, and Dr. Brzezinski.

February 24

The President met at the White House with:

- Dr. Brzezinski;
- officials of the United States Chamber of Commerce;

Administration of Jimmy Carter, 1977

- Secretary of Commerce Juanita M. Kreps;
- Secretary of Labor Ray Marshall;
- Representative John B. Breckinridge of Kentucky.

February 25

The President met at the White House with:

- Dr. Brzezinski;
- Mr. Lance;
- Frank C. Carlucci, United States Ambassador to Portugal;
- Wilbur Jenkins, who is retiring as Administrative Officer of the White House;
- representatives of the National Conference of State Legislatures.

The White House announced that Prime Minister Yitzhak Rabin of Israel has accepted the President's invitation to make a working visit to Washington on March 7 and 8.

The President donated a pint of blood during the annual visit of the Red Cross Bloodmobile to the White House.

The President designated James R. Schlesinger as a member and Chairman of the Energy Resources Council.

The President left the White House for a weekend stay at Camp David, Md.

NOMINATIONS SUBMITTED TO THE SENATE

The following list does not include promotions of members of the Uniformed Services, nominations to the Service Academies, or nominations of Foreign Service officers.

Submitted February 18, 1977

LAURENCE N. WOODWORTH, of Maryland, to be an Assistant Secretary of the Treasury, vice Charles M. Walker, resigned.

SAMUEL WINFRED BROWN, JR., of Colorado, to be Director of the ACTION Agency, vice Michael P. Balzano, Jr., resigned.

NOMINATIONS—Continued **Submitted February 18—Continued**

JOSEPH MAXWELL CLELAND, of Georgia, to be Administrator of Veterans' Affairs, vice Richard L. Roudebush, resigned.

Submitted February 21, 1977

R. JAMES WOOLSEY, of Maryland, to be Under Secretary of the Navy, vice David Robert MacDonald, resigned.

Submitted February 22, 1977

ELLIOT L. RICHARDSON, of Massachusetts, to be an Ambassador at Large and the Special Representative of the President of the United States for the Law of the Sea Conference and Chief of Delegation.

Submitted February 24, 1977

JAMES ALFRED JOSEPH, of Indiana, to be Under Secretary of the Interior, vice Dale Kent Frizzell, resigned.

LEO M. KRULITZ, of Indiana, to be Solicitor of the Department of the Interior, vice H. Gregory Austin, resigned.

FRANK ALAN WEIL, of New York, to be an Assistant Secretary of Commerce, vice Leonard S. Matthews, resigned.

ROBERT J. BROWN, of Colorado, to be Under Secretary of Labor, vice Michael H. Moskowitz, resigned.

DONALD ELISBURG, of Maryland, to be an Assistant Secretary of Labor, vice John C. Read, resigned.

ERNEST GIDEON GREEN, of New York, to be an Assistant Secretary of Labor, vice William H. Kolberg, resigned.

CARIN ANN CLAUSS, of Virginia, to be Solicitor for the Department of Labor, vice William Jeffrey Kilberg, resigned.

HALE CHAMPION, of Massachusetts, to be Under Secretary of Health, Education, and Welfare, vice Marjorie Ward Lynch, resigned.

THOMAS D. MORRIS, of the District of Columbia, to be Inspector General, Department of Health, Education, and Welfare (new position).

MARY BERRY, of Colorado, to be Assistant Secretary for Education in the Department of Health, Education, and Welfare, vice Virginia Y. Trotter, resigned.

ARABELLA MARTINEZ, of the District of Columbia, to be an Assistant Secretary of Health, Education, and Welfare, vice Stanley B. Thomas, resigned.

Administration of Jimmy Carter, 1977

NOMINATIONS—Continued

Submitted February 24—Continued

MARY ELIZABETH KING, of the District of Columbia, to be Deputy Director of the ACTION Agency, vice John L. Ganley, resigned.

CHARLES HUGH WARREN, of California, to be a member of the Council on Environmental Quality, vice Russell W. Peterson, resigned.

Submitted February 25, 1977

GERALD PAUL DINNEEN, of Massachusetts, to be an Assistant Secretary of Defense, vice Albert C. Hall, resigned.

DAVID E. MCGIFFERT, of the District of Columbia, to be an Assistant Secretary of Defense, vice Eugene V. McAuliffe, resigning.

JOHN MCGRATH SULLIVAN, of Pennsylvania, to be an Assistant Secretary of Defense, vice David P. Taylor, resigned.

JERRY JOSEPH JASINOWSKI, of the District of Columbia, to be an Assistant Secretary of

NOMINATIONS—Continued

Commerce, vice Richard G. Darman, resigned.

**CHECKLIST OF WHITE HOUSE
PRESS RELEASES**

NOTE: All releases made public by the Office of the White House Press Secretary during the period covered by this issue have been included in the issue.

**ACTS APPROVED BY
THE PRESIDENT**

Approved February 21, 1977

H.J. Res. 240----- Public Law 95-6
Fishery Conservation Zone Transition Act.

Approved February 23, 1977

H.J. Res. 239----- Public Law 95-7
A joint resolution extending the filing date of the 1977 Joint Economic Report.

PRESIDENTIAL DOCUMENTS

Week Ending Friday, March 4, 1977

Generalized System of Preferences for Developing Countries

Executive Order 11974. February 25, 1977

AMENDING THE GENERALIZED SYSTEM OF PREFERENCES

By virtue of the authority vested in me by the Constitution and statutes of the United States of America, including Title V and Section 604 of the Trade Act of 1974 (88 Stat. 2066, 19 U.S.C. 2461 *et seq.*; 88 Stat. 2073, 19 U.S.C. 2483), and as President of the United States of America, in order to modify, as provided by Section 504(c) of the Trade Act of 1974 (88 Stat. 2070, 19 U.S.C. 2464(c)), the limitations on preferential treatment for eligible articles from countries designated as beneficiary developing countries, and to adjust the original designation of eligible articles taking into account information and advice received in fulfillment of Sections 503(a) and 131-134 of the Trade Act of 1974, it is hereby ordered as follows:

SECTION 1. In order to subdivide existing items for purposes of the Generalized System of Preferences (GSP), the Tariff Schedules of the United States (TSUS)

are modified as provided in Annex I, attached hereto and made a part hereof.

SEC. 2. Annex II of Executive Order No. 11888 of November 24, 1975, as amended, listing articles that are eligible for benefits of the GSP when imported from any designated beneficiary developing country, is further amended as provided in Annex II, attached hereto and made a part hereof.

SEC. 3. Annex III of Executive Order No. 11888, as amended, listing articles that are eligible for benefits of the GSP when imported from all designated beneficiary countries except those specified in General Headnote 3(c) (iii) of the TSUS, is amended by substituting therefor the new Annex III, attached hereto and made a part hereof.

SEC. 4. General Headnote 3(c) (iii) of the TSUS, listing articles that are eligible for benefits of the GSP except when imported from the beneficiary countries listed opposite those articles, is amended by substituting therefor the new Annex IV, attached hereto and made a part hereof.

SEC. 5. The substance of Executive Order No. 11960, of January 19, 1977, has been, subject to the competitive-need limits of Section 504(c) of the Trade Act of 1974, generally incorporated into this

Order. Executive Order No. 11960 is therefore revoked.

SEC. 6. The amendments made by this Order shall be effective with respect to articles both: (1) imported on or after January 1, 1976, and (2) entered, or withdrawn from warehouse, for consumption on or after March 1, 1977.

JIMMY CARTER

The White House,
February 25, 1977.

[Filed with the Office of the Federal Register,
5:58 p.m., February 25, 1977]

NOTE: Annexes I, II, III, and IV are printed in the FEDERAL REGISTER of February 28, 1977. The Executive order was not issued in the form of a White House press release.

United States-United Kingdom Bilateral Air Services Negotiations

*Designation of Alan Boyd as the President's
Special Representative. February 28, 1977*

The President has designated Alan Boyd as his special representative to head the U.S. delegation at the negotiations to accomplish a new United States-United Kingdom bilateral air services agreement. The talks will begin February 28, 1977, in London.

Boyd will hold the personal rank of Ambassador while serving as the President's special representative.

He is currently president and chief executive officer of the Illinois Central Gulf Railroad. From 1967 to 1969, he was Secretary of Transportation.

Boyd was a member of the Civil Aeronautics Board from 1959 to 1965, serving as Chairman of the Board from 1961 to 1965. Between 1965 and 1967, he was

Under Secretary of Commerce for Transportation.

United States-Canada Reciprocal Fisheries Agreement

*Message to the Congress Transmitting the
Agreement. February 28, 1977*

To the Congress of the United States:

I transmit herewith a Reciprocal Fisheries Agreement Between the Government of the United States and the Government of Canada, signed in Washington, February 24, 1977.

The Agreement, which is for 1977 only, satisfies important United States interests both in United States fisheries off Canada and in overall cooperative relations between the United States and Canada. The Reciprocal Fisheries Agreement is not a Governing International Fisheries Agreement within the terms of the Fishery Conservation and Management Act. The reciprocal accommodations of United States and Canadian interests required inclusion in the Agreement of provisions which are not consistent with certain sections of that Act.

Positive Congressional action therefore is required to bring the Reciprocal Agreement into force. I believe it important to take this action in order that there be no disruption of the important United States-Canadian fisheries off Canada following the establishment of the United States 200-mile fishery conservation zone on March 1, 1977.

I recommend that the Congress give favorable consideration of this Agreement by March 1. I further recommend that the Congress consider bringing the Agreement into force by Joint Resolution, such Resolution having the effect of establish-

ing the legal basis in which the reciprocal fisheries of the two countries would go forward in 1977.

JIMMY CARTER

The White House,

February 28, 1977.

NOTE: The message was not issued in the form of a White House press release.

Department of Energy

Remarks Outlining Proposed Legislation To Create the Department. March 1, 1977

I'm going to give a brief outline, and then Dr. Schlesinger is going to explain the details of the proposal.

Today we sent to the Congress a proposal for the creation of a new and comprehensive Department of Energy. This is long overdue. We now have more than 50 different Federal agencies who have divided among themselves the responsibilities for the evolution and the carrying out of an energy policy for our country.

I think that you can see from the two charts on my left and right the difference between what we presently have and what is being proposed. This is just a block diagram of the departments that now are involved in the energy question, and on my left is the proposal that we have presented to the Congress.

This morning, Dr. Schlesinger met with a number of key Members of Congress who are interested in the energy field and began to brief them. And of course, ever since last summer, we've been working with the Members of Congress for this purpose.

This Department will make it possible for us to evolve very quickly a comprehensive energy policy which we've missed. It will give us an opportunity to regulate

the production and distribution of energy along with the pricing concepts clearly and, I believe, cohesively.

It will also permit us to channel research and development funds in a way that would be consistent with the long-range needs of our country. It will let us insure to a maximum degree that the data that we obtain concerning energy reserves are accurate and, also, that the American people might trust the information provided to them about how much energy we have available in different forms. And it will greatly simplify the bureaucracy.

Dr. James Schlesinger, who is energy adviser to me, will now proceed with the briefing and will answer your specific questions on this Department. I hope that the Congress will act expeditiously in this matter because it is so important to our country.

On April 20, we will present to the Congress our presentation on a comprehensive energy policy. And this is the first time, I believe, that this has yet been attempted. And I believe that because of Dr. Schlesinger's ability and my interest and the enthusiasm of the Congress and the great need for the American people, it will be a successful effort.

NOTE: The President spoke at 10:31 a.m. to reporters assembled in the Briefing Room at the White House.

Department of Energy

Message to the Congress Transmitting Proposed Legislation. March 1, 1977

To the Congress of the United States:

I hereby transmit to the Congress proposed legislation which will create a new Cabinet Department of Energy.

This legislation is a major step in my Administration's program for a comprehensive reorganization of the Executive Branch.

Nowhere is the need for reorganization and consolidation greater than in energy policy. All but two of the Executive Branch's Cabinet departments now have some responsibility for energy policy, but no agency, anywhere in the Federal government, has the broad authority needed to deal with our energy problems in a comprehensive way.

The legislation I am submitting today will bring immediate order to this fragmented system:

—It will abolish the Federal Energy Administration, the Energy Research and Development Administration, and the Federal Power Commission, thereby eliminating three agencies whose missions overlap and sometimes conflict, and whose specialized perspectives have impeded progress toward a unified energy policy.

—It will allow us, for the first time, to match our research and development program to our overall energy policies and needs. This is particularly important if we are to make use of renewable energy sources such as solar power.

—It will enable us to move more quickly toward effective energy conservation by combining conservation programs which are now split between FEA and ERDA. And, to make certain that we will see results, the legislation creates an Assistant Secretary for Conservation, who will be personally responsible for seeing that the conservation program is carried out.

—It will place under one roof the powers to regulate fuels and fuel distribution systems, powers which are now shared by the FEA and the FPC along with the Securities and Exchange Commission and the Interstate Commerce Commission.

An institutional structure built on the premise that fossil fuels are abundant and cheap no longer serves well in an era of fuel scarcity.

As this winter has shown us, uncoordinated regulatory policies can have serious impacts on our economic and social well-being. This reorganization can help us bring currently fragmented policies into a structure capable of both developing and implementing an overall national energy plan. At the same time, we must guard the quasi-judicial aspects of the regulatory process against improper influence. The legislation meets this concern by establishing a Board of Hearings and Appeals within the Department which is free from the control of the Secretary of Energy.

In addition to abolishing the FEA, ERDA, and the FPC, the legislation submitted today will transfer into the new Department several significant energy-related authorities and programs which now belong to other departments. These include the building thermal efficiency standards from Housing and Urban Development, the voluntary industrial compliance program from Commerce, and the Navy petroleum and oil shale reserves from Defense. The legislation provides for consultation between the Energy Department and the Department of Transportation on auto fuel efficiency standards, and establishes a role for the Energy Secretary in the REA loan program at Agriculture. Where it is appropriate, these departments will still carry out the program, but the new Energy Department will give them the policy guidance needed to bring unity and rational order to our energy program.

Finally, this legislation transfers certain parts of the Interior Department—those concerning fuels data collection and analysis, and coal mine research and development—into the new Department. Coal

mine health and safety research will not be transferred. This will leave the Department of Interior still in charge of leasing energy resources under Federal control. We are leaving those functions in Interior because we believe that the responsibility for multiple-use of public lands, and for their environmental protection, belongs in one department—Interior—that can reflect a broad spectrum of concern. The Energy Department, however, will set long-term production goals and will have policy control over economic aspects of the leases. This will help us foster competition within the energy industries and encourage production of leased resources as expeditiously as possible.

This reorganization will also bring together our energy data gathering and analysis capabilities. More than twenty executive departments and agencies now operate more than 250 energy data programs. The FEA, ERDA, FPC and the Interior Department's Bureau of Mines together have more than 100 such programs. This fragmentation is not only uneconomic and frustrating: it can also have serious consequences. We have seen in recent weeks that, under our present system, we have no single source of information about where natural gas shortages were greatest and where supplies were still available to help make up those shortages. Consolidating these major data programs in an Energy Information Administration within the new department will now give us the ability to compile information which is complete, accurate and *believable*.

There are many things this legislation does not try to do.

I believe that health, safety and environmental regulation relating to energy—unlike economic regulation—should not be brought into the new Energy Department. Because public concerns about the safety of nuclear power are so serious, we

must have a strong, independent voice to ensure that safety does not yield to energy supply pressures. Therefore, the Nuclear Regulatory Commission will remain as an independent body. For similar reasons, the Environmental Protection Agency should remain independent to voice environmental concern.

Even with a new Department of Energy, problems of interdepartmental coordination will remain, since virtually all government activity affects energy to some extent. Establishing this department, however, will give us one government body with sufficient scope and authority to do the massive job that remains to be done. Thus this legislation will abolish the Energy Resources Council. I intend to establish by Executive Order a non-statutory interdepartmental coordinating body, with the Secretary of Energy as its chairman to manage government-wide concerns involving energy.

This legislation contains no new substantive authorities. Instead, by eliminating three agencies and uniting a variety of existing energy authorities, the legislation I am submitting today will help reorganize the Executive Branch in a rational, orderly way. It is long overdue. I hope to work with the Congress to achieve our initial goal of a realistic and effective energy policy.

JIMMY CARTER

The White House
March 1, 1977.

Department of Defense

*Remarks and a Question-and-Answer
Session With Department Employees.
March 1, 1977*

SECRETARY BROWN. Mr. President, on behalf of the men and women of the Department of Defense, both civilians and

those in the Armed Forces of the United States, it's a great pleasure to welcome you to the Pentagon. And you can tell from your reception, it's a great pleasure for them, too.

This building was completed in 1943, in the record time of 16 months, just as you were entering courses in the Naval Academy in Annapolis. Both you and the building have come a long way since then. *[Laughter]*

Mr. President, nowhere in Government or anywhere else will you find a more dedicated and able group of people than those in this Department. I am proud to work with them and honored to introduce you to them.

Ladies and gentlemen, the President of the United States.

THE PRESIDENT. Thank you very much.

When I retired from the Navy, I was a lieutenant. And it's very nice to come back to the Pentagon and know that I'm the senior officer here. *[Laughter]*

I found that in my new position as Commander in Chief that there is no uniform allowance, that the pay is, I think, very good, and the base quarters where my family lives are completely adequate.

I want to thank all of you who served with me for giving me a chance—along with other Americans who had confidence in me—to serve in this position of leadership.

ADMINISTRATION POLICIES

There is no other department in Government which consistently demonstrates such a superb level of courage and dedication and, quite often, personal sacrifice. I know from my own military experience how important it is to those of us who are responsible for our Nation's existence and

safety to be able to dedicate, if necessary, our own lives for our country.

But it also naturally follows that we, who have been and are serving in the Armed Forces, are the most deeply committed to peace. Ours are the families who suffer first, and have in times of war. And for that reason, we now commit our lives to ensuring that our Nation is strong enough to ensure peace, that the world realizes our dedication to military strength, and we also recognize that to the degree that the American people are compatible with our Government policies, international affairs, and military capability, that our strength is enhanced.

Our will must be unshakable. Our dedication to the principles of democracy and human freedom must never be in doubt. Our loyalty to our allies must never be changed in any way, and our communication with them must be constant.

When the President of the United States or the Secretary of State speaks to the world without the comprehension or understanding or open support of the Congress or the American people, we speak with a hollow voice. And it's only when the world knows that our Nation is indeed united that our strength can be exerted in a proper and effective way.

I know that we have many challenges in the future. I don't fear those challenges. No one in our country has traveled in the last 2 years more than I have, nor met with more groups, nor heard more advice, nor answered more questions, nor been able in any better way to assess what the American people are, what we stand for, to understand our problems, our concerns, our fears, our prejudices, our competence, our compatibility with one another, any better than I.

And because of my sure sense of the strength of America, our natural resources, tremendous land areas, water re-

sources, access to the oceans, but above all, the character of the American people, I feel sure that our strength will be adequate.

I think all of you know, as well as I do, that there is always a limited amount of financial capability for any nation to provide for military weapons and the personnel to use those weapons if necessary. But within that limit, there is always an opportunity for us to use those limited resources in the most efficient and effective and predictable way. And that's a challenge to us all.

But whatever might come in the future while I'm President, while Harold Brown is here as your Secretary, and General Brown and the Joint Chiefs are working with us, we will assure the American people with and through you that our military strength and our capability to defend freedom will be second to none in all the world. And you can depend on that.

The last point I would make before I answer some questions is this: We're partners, and every one of you is important in the process of ensuring our Nation's safety. Whether you've been here to work 40 years or, like myself, not much more than a month, we instantly share responsibility. And I hope that every one of you will reassess what you are presently doing in your own assignment and how you might do it better, how you might preserve the aspects of your career that is being used in the most effective and optimum way, and not ever be reticent to suggest change when the change would be an improvement.

I think there is a growing realization of that determination. Our country has been through difficult times in the last few years—with an unpopular war in Vietnam and Cambodia, with the Watergate revelations bringing disgrace on the White House itself, with doubt being cast on the legality of operations within our intelli-

gence community and within the FBI itself. But I think we've weathered those challenges to our American system of government, because the unchanging character of the American people was there. And when public officials have made a mistake, we've always been able to fall back on the honesty and integrity and the truthfulness and the dedication of the widely varying and different kinds of people who comprise our great Nation.

I feel very strongly and personally the responsibility on my shoulders as a leader of our country, as Commander in Chief of the Armed Forces. I'll do the best I can not ever to disappoint you in any way.

And I think that we have now a good working relationship among the major departments of Government—the Department of the Treasury, Office of Management and Budget, State Department, Defense Department, and others—so that we need not have any concern about disagreements or schisms that separate us, one from another.

We have a sense of open debate about controversial measures—which weapons systems should come first, the rate of production of it, from the change of research and development to actual production, the placement of our forces. But these things are resolved as it ought to be in a democracy.

So, I just want to say in closing that I join with you today in a rededication of my own commitment to serve the people of our country, along with you, and to make sure that we never disappoint those who put their trust in us.

And now, I'd like to answer some questions, if you have them for me.

QUESTIONS

MILITARY UNIONIZATION

Q. Mr. President, as our Commander in Chief, I'm sure you're concerned over

the recent efforts to organize the military under a union. Other than legislation, what incentives do you intend to pursue with Congress to counter this effort to unionize the military?

THE PRESIDENT. Well, my own opinion, which is strongly held, is that it would not be advisable to have the military personnel unionized. And I think, because of my own public expression of concern, this might have a beneficial effect. Other than my opinion as expressed, the support that I would hope to engender among the American people for this position, those matters, combined with the congressional action if necessary, would be adequate.

I don't know of any strong move in that direction. And I believe that most of the leaders of national and international labor unions agree. I've never had any of those leaders approach me with the intention of going forward with this effort.

I know it has been discussed in isolated areas and by some responsible people, but I think the national leaders, even in the labor movement, have no commitment to this proposition.

MILITARY PAY AND RETIREMENT SYSTEMS

Q. Mr. President, sir, what changes to the military retirement system, if any, will your administration be proposing to the Congress?

THE PRESIDENT. I don't know yet. The Secretary of Defense, along with the Joint Chiefs and myself and others, will be re-assessing both military pay and other privileges and also the retirement systems. There are some inadequacies in fair treatment of those who serve the Federal Government in the retirement pay system. And I've been particularly concerned at the excessive retirement benefits that are available to those who served in the military, who then retire and get full-time

jobs working for the Government itself. This is too expensive.

My own guess is that there will be a commission established by the Secretary of Defense, and with my help, to go into the whole question of pay and retirement to be sure that we don't go back on commitments that have been made to those who enlisted in the Armed Forces and, also, that it be controlled in the future.

Under present circumstances, by the end of this century, our ability to defend our Nation might very well be sapped away by excessive personnel costs.

So, how to balance fairness on the one hand among those who presently serve and an end to the almost uncontrollable and rapid increase in retirement benefits, will be the challenge for us all.

So, I would guess that a so-called blue ribbon commission, established by the Secretary of Defense and myself, would make a complete study of this, receive testimony and advice from those who are concerned, and then make a recommendation to the Congress.

Is that correct, Harold?

SECRETARY BROWN. Yes.

THE PRESIDENT. That's correct.

Q. Thank you.

MILITARY UNIONIZATION

Q. Mr. President, I'd like to follow up on the unionization question that was asked earlier.

Are you in favor of, and would you sponsor legislation which would prohibit new membership in so-called servicemen's unions? And do you feel such legislation would be constitutional?

THE PRESIDENT. I don't know how to answer that question about constitutionality. I'm not a lawyer. That always get applause. I don't know why. *[Laughter]*

I don't know how to answer your question about specifics on legislation. I have

no intention at this time to introduce any legislation of that nature. And whether it would be constitutional, I don't know.

Q. So you feel, then, at this time, that such legislation is not necessary?

THE PRESIDENT. That's correct.

NEW YORK CITY

Q. Mr. President, I can recall reading in the papers a few months ago where the previous administration congratulated New York officials, Mayor Beame and Governor Carey, on the strong measures and controls they had taken regarding the New York financial crisis, and it appeared New York was on the way to recovery. Yet in the last few weeks, even in today's Washington Post, it appears to me that New York is on the brink of bankruptcy. Can you elaborate on the financial crisis of New York and, if they are in such dire straits, will the Federal Government bail them out?

THE PRESIDENT. There is an even bigger story in the New York Times. [Laughter]

The Congress has authorized the Federal Government, in effect, to make temporary loans to the city of New York to meet its varying financial obligations during the course of the fiscal years. As you undoubtedly know, income to a local or State government is cyclical. It comes in at certain times of the year when expenditures are fairly uniform. And that's the limit of the authority that the Federal Government now has—to tide New York over for just a few months at the time when receipts are low and expenditures are high. But there has to be an assurance under the present law that New York City is financially sound.

There was a request made over the weekend by Mayor Beame and others for the Federal Government to make a temporary loan in excess of \$200 million to

tide New York over in a present crisis, primarily because the New York banks and the New York labor unions, with their retirement fund, were not able to work out an agreement with Mayor Beame and Governor Carey on long-range financing.

My own inclination is that New York City, the State, the banks, and the labor organizations will have to deal with the long-range financial problems of New York first, and without Federal participation. We will make available a continuation of the temporary loans. And although this authority expires very quickly, I would be in favor of extending the time period for these temporary loans over a longer period of time, maybe 5 or 6 years.¹

My own guess is that with tight constraints on the city of New York, the evolution of its budget, and the handling of expenditures, that this crisis can be weathered.

We have done several other things indirectly which obviously helped New York City and other cities. The economic stimulus package of \$31 billion, roughly, for a 2-year period, has a major portion of it allocated for improving the ghetto areas where poverty exists—better housing programs, public works projects, public service employment, and an overall economic stimulation.

And I think that the Congress and my own Executive administration is dedi-

¹ Later in the day, the White House Press Office released the following statement:

The President has stated many times, as he did today, that he is in favor of the concept of extending Federal seasonal loans to New York City beyond the expiration of the present seasonal loan program, which ends June 30, 1978.

The city, of course, must comply with the terms of the credit agreement concerning each seasonal loan granted under the present program. The President was not referring to the current city loan request.

cated to the proposition that these benefits, which are financial, ought to be concentrated to a maximum degree in areas that are in greatest financial need.

So, whenever we do anything to help urban America or poverty-stricken America, we do help New York City. But the financial structure that I've described is primarily one of responsibility for the city, the State, the New York banks, the New York labor unions. The Federal Government's role will necessarily be minor, but ought to be extended over a longer period of time than the previous commitment.

Q. Thank you.

THE PRESIDENT. That's all I know about the subject. Maybe a little more than that, you know.

Q. Mr. President?

THE PRESIDENT. Yes?

Q. I have a question you can answer.

THE PRESIDENT. Yes, ma'am.

CIVIL SERVICE; JOB DISCRIMINATION

Q. Can we look forward to a more honest and aboveboard merit promotion system for the lower grades, GS-8 and below?

THE PRESIDENT. The answer is yes. I have spent a good bit of time the last 2 weeks looking over the civil service leadership problems. I've read the testimony that's been presented to the congressional committees, and we are now in the process of choosing the Civil Service Commission board of directors. And I think I can assure you that one of the primary prerequisites for my selection of anyone to serve on those boards will be honesty, integrity and, also, a willingness, even an eagerness, to let the civil service employees know what present and future plans for personnel management might be. I also have a responsibility, as you can well understand, to be sure that we have professionally competent people.

I'm particularly concerned about the concept of equal employment opportunities. In many instances in the past, civil service tests or regulations have either deliberately or inadvertently been part of the discriminatory obstacles that women and minority groups have to overcome. So those are the factors that will be involved. But I think integrity and openness, as you've described, would be two of the major ones as I make these appointments.

I will not delay the appointments any longer than necessary for me to choose the right people. I've already decided the ones that I will interview and, after I've talked to them about these issues, the nominations which are my responsibility will be made.

Q. Thank you, sir.

Q. Mr. President?

THE PRESIDENT. Yes?

CRITICISM OF MILITARY

Q. We have one Member of Congress who is, in my opinion, perhaps a little overzealous in his attacks on the military establishment.

THE PRESIDENT. You're lucky if it's just one. [*Laughter*]

Q. Just one that is overzealous.

THE PRESIDENT. I see.

Q. I'm referring, of course, to Representative Les Aspin. I'm tired about reading in the newspapers, with all due respect, about his latest charges and findings about military inefficiency and its abundant benefits.

Is there anything you can do in your office, Mr. President, to perhaps counsel the Representative from Wisconsin, that he might find other avenues of communication? [*Laughter*]

Thank you, sir.

THE PRESIDENT. Thank you. I want to thank you for that question—[*laughter*]

which I don't intend to answer directly. But I would like to say—

Q. You just answered it.

THE PRESIDENT. I would like to say this: I mentioned earlier, the problem that was brought on our country by an unpopular war. And as an aftermath of that, there has been, I think, a deterioration in the esteem of military personnel among American citizens. I feel, as President, a direct responsibility to do all I can to honor the military persons and those who serve in the Defense Department in every possible way and to let our people know the truth; and that is, that we depend upon you, that the Nation depends on you, and that the heroism is still there, the dedication is still there, the self-sacrifice is still there, and that military persons were not responsible for the mistakes that have been made in the past in unpopular wars.

And I believe that all of you can help, as well. When there is a mistake made, in my opinion, it ought to be faced squarely. When there has been waste and inefficiency, which exists in all branches of the Federal Government and all State governments, it ought to be rooted out when detected. And we ought not ever to be fearful about criticism or disclosure when it's legitimate. But we ought not ever to be reticent or timid in defending ourselves when the criticism is not justified.

Now, this is a free country. And I was attacked and criticized much more as a candidate for President even than the circumstances you've just described. We're in it together, and we'll just have to deal with it together.

I think the American people have confidence in us, and I'm going to do my part to keep it that way. I know all the submariners will do the same.

FEDERAL EMPLOYEES

Q. Mr. President, my question relates to the Federal career civil servant. Unfortunately, in the last few years, it seems to become common for us in the career service to hear our own leaders describe us as inefficient and wasteful, and the image of the bloated bureaucrat who sucks the Public Treasury dry and produces nothing is heard.

And it's been demoralizing for the Federal civil servant. The fact of the matter is that, by and large, the Federal civil servant is one of the best educated, most patriotic, most community- and civic-minded person, wherever he is in this land.

Why is it that we don't hear more from our bosses, our leaders, defending us in public forums and not just here, today, but in press conferences, so that we don't feel that we're not recognized and appreciated?

THE PRESIDENT. I noticed one of the attributions that you didn't mention was modesty. *[Laughter]*

Sometimes it is overlooked that people like myself, who have had varied careers in the military, in business, in agriculture, or in State and local government, and who comes to the Washington scene—we come and go, and we quite often are the ones, the political leaders, who shape the attitude of American people.

You who are professionals have one life to live, one career to give to our country. And I know from experience in dealing with the civil servants in Georgia, as Governor for 4 years, as a member of the legislature for two terms, how dedicated the average civil servant is. It's a very rare person who doesn't want to do a better job of defending our Nation, of educating children, caring for the ill, building highways. And sometimes the confusion of the bureaucracy and the lack of cooperation among leaders at the Cabinet level pre-

vent the proper expenditure of your lives in public service.

I'm the one responsible for the complexity of the Federal bureaucratic structure. And when there is not a clear delineation of authority and a clear assignment of responsibility, when there is overlap between your own job and others in the Government whom you never see, this makes your life less meaningful and your ability to serve less effective.

So, I have the greatest possible admiration for those of you who have been willing to give your own lives in civilian or military service for the defense of our country. And I'll try to do everything I can in the next 4 years to make sure that you are able, within the Federal Government structure, to make your careers more effective.

I also have on many occasions and will, even with increased frequency in the future, point out this fact to the American people. I appreciate what you do, and I want to make that clear to everyone.

Q. Thank you.

THE PRESIDENT. I'll take a couple more questions, and then I'll have to go.

SELECTIVE SERVICE PARDONS

Q. Good afternoon, Mr. President.

When you granted amnesty to those individuals in the Vietnam era, how can you justify, in the event of another major conflict, that individuals would join, adhere to draft policies, or remain in the active military service? Also, sir, how can you expect members already in the military to remain in service in that event with the cutback in military benefits and education?

THE PRESIDENT. Well, I know that my own position on granting a pardon to the violators of the Selective Service laws during the Vietnam conflict was not a popular decision for many Americans to ac-

cept. But I don't believe that the patriotism of American service men and women, now or in the future, is predicated on whether or not the pardon was granted.

And I believe that we can count on the full support of Americans in time of trial or time of danger to defend our country. My own son went to Vietnam. He served there voluntarily and came back home. I served in two wars. And I believe that in the future, we can count on American citizens to serve their country without any doubt.

I have also a historical perspective about this question. I come from the South. I know at the end of the War Between the States, there was a sense of forgiveness for those who had been not loyal to our country in the past, and this same thing occurred after other wars as well.

I also felt that those who had left our country during the Vietnam war and had been living overseas for 10, 12, 15 years, had been punished enough. It was a matter of judgment. I made my judgment clear during the campaign. I never misled anyone. I made the major announcement of my plan to grant this pardon at an American Legion convention in Seattle, perhaps one of the most antagonistic audiences that I could have chosen. But I didn't want to mislead anyone about it, and I was elected either because of it or in spite of it.

Now, the other consideration for those who have been guilty of military offenses will be handled completely within the Department of Defense. The Attorney General, the Secretary of Defense, and their representatives are trying to deal with other violators of military regulations and laws on an individual case basis. This was another part of my commitment to the American people during the campaign.

I don't have any apology to make about it. I made my decision clear before the election. The first week I was in office, I carried out my commitment. And I believe that the patriotism and support of the American Government and its people, in times of crisis in the future, will be met by courageous people as they have been in the past, regardless of what my decision was on the pardon question.

ARMED FORCES RESERVES

Q. Mr. President, my question is sort of related to this, but my question concerns more the Guard and the Reserve and the readiness of this country and its defense.

The statement has been made that we are some 800,000 people short, within the active force in the Reserves. My question, sir, involves the reinstitution of the draft. I'd like to know how you feel about this position in light of the costliness of the all-volunteer force and the fact that there are incentives underway and studies underway to determine other ways, incentive-wise, of increasing the strength of the Guard and the Reserve.

Do you see us eventually going back to a draft for either the active force or the Guard and the Reserve, or both?

THE PRESIDENT. That's a decision that has not yet been made, whether to change back to an active draft for our country. At the present time, I have no intentions of going back to a mandatory draft law. We have a constant concern about the weakness of recruitment, particularly for the Reserve forces.

Secretary Brown and the Joint Chiefs and others are now assessing the effectiveness of present recruiting efforts and whether or not we can meet the needs of our Nation's defense.

As I've said many times during the campaign, if it ever becomes obvious to me and to the military leaders who serve

with me that we cannot adequately provide for the defense of our country without a draft, I would not hesitate to recommend such a change to the Congress to call for a draft law. I think if it should be considered in the future, my own inclination would be to make it much more comprehensive in the future, not to permit exceptions for those who are wealthy or who are college students, to make it all-inclusive and to make sure that it's fair.

But to recapitulate my answer, at the present time, we are not contemplating such a move. We are assessing the situation constantly. If it becomes necessary, I would not hesitate to recommend it.

Let me close by saying this: I don't claim to know all the answers about personnel matters nor about defense matters. I'm eager to learn. And know that from this group assembled here and those others who work in this great Department throughout the world, there is not only a deep dedication to serve but also an inclination to make our service more effective.

And if I can just leave one thought with you at the conclusion of my brief visit to the Pentagon, it's that we are partners together in restoring the legitimate and deserved stature and esteem that ought always to be recognized among those who serve in the military. And also, it's important for us to constantly explore better ways to ensure world peace.

I think that the character of our country has got to demonstrate in government, as accurately as possible, the character of our people. I think our people are dedicated to the proposition of equality, of liberty, of justice, of decency, of truth, of respect for human beings' rights, and a constant and unswerving commitment to human courage.

And to me, the military has always been almost completely pure in insisting on those characteristics. I was deeply im-

pressed, also, when we had a reception my first day or two in the White House for representatives of the military—enlisted leaders, up through the Joint Chiefs of Staff and the Secretary of Defense.

We met with many groups in those first 2 days—politicians in and out of office, diplomatic officials, and others—and I was deeply impressed, as the military representatives came by, at the unbelievable number who said, “Mr. President, I’m praying for you,” or, “God be with you,” or some other demonstration of a deep religious commitment.

Well, I just want to be sure that as President, as a human being with weaknesses and acknowledged inabilities, that I can do a good job. I’ll do the best I can not ever to disappoint you.

And I know that, based on your past record and your constant commitment, you will never disappoint me or the American people as we try to exemplify the finest aspects of the greatest nation on Earth.

Thank you very much.

NOTE: The President spoke at 11:03 a.m. in the Inner Court at the Pentagon.

National Governors’ Conference

*Remarks at a Dinner Honoring Governors
Attending the Conference’s Winter
Session. March 1, 1977*

I guess the time has come for me to say a word. I notice that everybody got quiet when the lights came on. [Laughter]

Well, for all of you distinguished visitors from around the country who are visiting Washington, we Washington insiders want to give you a hearty welcome. [Laughter]

After serving as Governor for 4 years and having been entertained all over the

Nation, obviously by many of you, I want to let you see how it is to rough it here in the White House. [Laughter]

We’ve had a good time so far, and I think it’s meant an awful lot to us to have been able to serve as the first family of Georgia. It made it easy for us to understand executive management and problems.

I’ve come through the crisis of not any longer being in office, so far, fairly well. When I got through being Governor, I didn’t know what to do. I could see the end of my term coming, and I didn’t particularly want to go back to the peanut farm—[laughter]—and I talked to Jody Powell. And he said, “Why don’t we maybe go into the newspaper business?” I said, “Well, the only house I’ve got is in Plains.” And he said, “Well, we’ll just start a newspaper in Plains.” I said, “Nobody lives there but 680 people.” He said, “How about the tourists?” I said, “Look, Jody, if there is one thing I am absolutely positive of, above all other things in my life, there will never be a tourist in Plains, Georgia.” [Laughter]

And then I talked to Rosalynn and she said, “Well, why don’t you take up a hobby of some kind.” And I couldn’t think of anything. So one afternoon, I talked to Hamilton Jordan. I said, “Hamilton, what kind of hobby would you recommend that we take up after I go out of office as Governor?” So he had a suggestion to make, and so here I am. [Laughter]

I’ve noticed a lot of similarities about being a Governor and being President. And in some ways, there are advantages in both offices. I know that as Governor, whenever anything bad occurred in the State there was no way that I could ever figure out to avoid responsibility for it. It is impossible to shovel it off onto a Cabinet officer or the legislature. The Governor is always it. He’s always accessible.

I've tried to do it differently up here. I've tried to give my Cabinet officers credit for all—[laughter]—. Well, I've really tried to give them credit for all the good things. When we decided to cancel \$5.1 billion worth of water projects, I let Cecil Andrus get the credit—[laughter]—for all the savings that he brought to the taxpayers. When I get invitations to explain to the Texas State Convention or the Chamber of Commerce the repeal of 14(b), I'll let Ray Marshall go down in his home State and take responsibility for that. When we have an international problem, I try to turn to the people with the most experience.

As you know, my first week in office I asked Fritz Mondale, the Vice President, to go on a round-the-world trip. And he did so well—I haven't announced it before—but Mr. Idi Amin¹ has asked me to send a delegation. [Laughter]

I want to send the most experienced person I have to do the negotiations. In the future, when we close down military bases, Harold Brown has volunteered to take the credit for that.

So, you can see there are a lot of advantages both ways. I have been particularly blessed, yesterday afternoon, to have you come up and to let me and my Cabinet and Vice President Mondale spend 2½ hours or a little bit more meeting with you.

I believe in our country, and I believe in the system of federalism. It's ever-present on my mind after 2 years of campaigning that your constituents are mine. And when something goes wrong in your State and I hear it on the news or read about it in the paper, I think about the lonely days that I spent campaigning through your States and the hospitality that I and Rosalynn and all our family received. And it's not an artificial sense

of a common sharing of responsibility with you for the welfare and happiness and benefit of your own people at home. And this is a sobering thing, but it's also a very gratifying thing.

I know that I'm going to make a lot of mistakes—economically and, perhaps, in foreign affairs, as well. But the thing that gives me a reassuring feeling is my sense of partnership with you. I've learned a lot about government as a Governor. And I know that the cumulative experience and ability and sensitivity and idealism in this room by the men and women who serve as executive officers of the 50 States is a tremendous resource for me and the Cabinet and others in Washington to tap. You have a practical understanding of what goes on, where services are delivered. And I'm very eager to continue that close relationship with you.

It was particularly beneficial, I think, to the members of the Cabinet yesterday to get to know you and for you to get to know them. This is a time, I think, of restoration in our country of some of the higher ideals and the surest sense of confidence in the future—not because of me at all, but just because our country has come through a difficult time. And as we look back on it, there is a growing realization of the basic, unchangeable strength of the American people. And I think this gives us all a sense of assurance about the future.

I've got an awful lot to learn. And I think that you can help me with it and, perhaps, we can learn together. I've had a chance to learn about matters concerning defense and matters concerning intelligence and matters concerning foreign affairs. And I've seen in other parts of the world a great sense of dependence and a growing trust in our country and what it stands for. I just want to be true

¹ President Field Marshal of Uganda.

to those ideals, along with you, in the months to come.

Finally, I'd like to say that we are going to do some things that we hope that you will share with us. When I was Governor of Georgia, we had a sister state in Brazil named Pernambuco. Recife is the capital. And Rosalynn and I went down to visit Brazil, I think, the first year I was in office. We formed a lot of friendships. And when we got back, we organized just on our own, with the help of other people in Georgia, of course, an exchange of citizens. We chartered a plane. I think it cost \$200 per person, about, and we loaded about 200 people on either a 707 or a plane of that size and flew down to Brazil. I didn't go. Rosalynn did. And those 200 people, Georgians, unloaded in Recife, and 200 Brazilians got on the plane and came back to Georgia.

None of them ever stayed in a hotel or motel. They all stayed in each other's homes. And the 200 Georgians had made arrangements while they were gone for 200 of their neighbors to take in the Brazilians. And the same thing had happened in Brazil.

It was a tremendous exhibition of the yearning of people in another country who spoke Portuguese—none of the Georgians spoke Portuguese—to learn about us and for us to learn about them. So we're going to try to do this on a nationwide basis and ask those of you who are interested, either the Governors or their spouses, to be thinking about it, and later on you'll get a letter concerning it. And perhaps your own State this first year would like to just take one airplane, and we've asked the State Department to give us advice. And we would like to have somebody go, maybe a couple of hundred folks go from, say, Idaho, to perhaps Morocco, and let 200 Moroccans come back.

There won't be any public funds involved at the State or Federal level. We're going to try to join in and raise enough money in private places to finance these trips.

But I want to see the ties of our own country with other foreign countries—large and small, powerful and weak, very friendly and not so friendly—strengthened. I think it will be an exciting thing.

Perhaps the first time, you might get some fairly affluent people to go who could not only pay their \$300 or \$400 or whatever it is these days but could also help pay the price of a Moroccan to come back to one of the homes.

We're going to try to work it out in detail. But we will hope that we can get you to help us with it. You can either wait till you get a letter or you can volunteer. We're going to try maybe a few trips this first year. But eventually, we'd like to have it be kind of a massive exchange of people going back and forth from the United States of America and for the other countries around the world.

And I particularly want to keep it removed from Government. The only thing that we'll provide is mine and Rosalynn's personal involvement in our spare time and, perhaps, yours and the help from the State Department in giving us advice on where to go. And we'll try to provide a little school for the ones who volunteer to go, about the country to which the visit will be made.

So, if you're interested in doing it, you can contact Rosalynn directly, or we'll be writing you a letter soon. There is a volunteer in Georgia, a young man who happens to be a Presbyterian minister, who was a missionary in Brazil. He was the one who had the idea for our first exchange. And he's going to just volunteer to kind of coordinate the whole effort.

But I think this is the kind of thing that we can do that is a little above and beyond Government—kind of nice, that perhaps you can help us with.

But I particularly want to break down any remaining barriers that exist between the State governments and the Federal Government. We want to make there be a common sense of community between people in your communities and the city of Washington, and remove any sort of last remaining feeling that this is an alien Government or that it doesn't care about you and doesn't need your help.

Only those of you who've served as Governor know how much I need your help. And I hope that you'll be free with it.

To conclude my brief remarks before we go in for some entertainment, I'd like to offer a toast to one of the finest groups of public servants in the world who will provide a constant inspiration to me and my family, the Governors of the 50 States of the most wonderful nation on Earth.

Here's to the Governors and their families.

NOTE: The President spoke at 9:45 p.m. in the State Dining Room at the White House.

Limitation on Hiring in the Federal Government

Memorandum for the Heads of Executive Departments and Agencies. March 1, 1977

Memorandum for Heads of Executive Departments and Agencies

One of the top priorities of this Administration is to manage the affairs of Government more efficiently. As part of this effort, we must hold Federal employment to the lowest number needed to operate effectively. Toward that end, I am imposing a limitation on the hiring of Fed-

eral civilian workers pending the establishment of revised employment ceilings.

I ask that you issue instructions limiting the number of appointments to full-time permanent positions in your agency to not more than 75 percent of the number of vacancies occurring after February 28, 1977. This limitation should be made effective at once and will remain in effect until new employment ceilings for fiscal years 1977 and 1978 have been established.

I am instructing the Office of Management and Budget and the Civil Service Commission to issue guidance on this directive. In addition, I delegate authority to the Director of the Office of Management and Budget to grant specific exceptions in a very limited number of cases, when such action is necessary to preserve the continuity of Government by assuring that essential services are provided and that fundamental needs are met.

You should make every effort to avoid requesting exceptions by making personnel reallocations within your respective agencies to meet needs of highest priority and to assure that vital and basic services are not interrupted. Contracting with firms and institutions outside the Government will not be used to alleviate the effect of this directive.

I am depending on you to give this effort your sincere support and personal attention.

JIMMY CARTER

NOTE: The text of the memorandum was released on March 2.

On the same day, the White House Press Office released the following information in an announcement on the memorandum:

The reductions in current employment levels will be met by attrition. No one will be fired. As of December 31, the Federal payroll included 1,902,000 permanent civilian employees (excluding the Postal Service). The Office of Management and Budget estimates attrition at 10 percent of the Federal work force annually.

Swearing-In Ceremony

Remarks at the Swearing In of the Administrator of Veterans Affairs, the Director of ACTION, and the Chief of Protocol. March 2, 1977

I am very proud this afternoon to present to the Nation my choices for three very important and, I think, significant posts in Government. We've just come through a historic time of combat in Vietnam and Cambodia, when our Nation was torn apart. Many people felt that the war was ill-advised and took different measures of expressing their displeasure or their commitment to follow our Nation's decision, whether it was right or wrong.

Sam Brown was one of the leaders of a group of young people who expressed in forceful terms their disapproval of the war. And they engaged in a form of civil combat on the streets of Chicago, and they showed a great deal of courage in their own way. I have asked Sam to head up the ACTION department within which will be involved the Peace Corps volunteers and those who work in other aspects of domestic service, in VISTA, and to add a new dimension to this department of deep commitments by many people in volunteer service to our country.

I think there is a pent-up desire on the part of our people to serve in a voluntary way—in mental health programs and environmental quality programs, in dealing with the problems of education and many other questions that face our people and which can never be handled exclusively by our Government employees.

Also, I would like to introduce to this group my good friend, Max Cleland, a young man who went to Vietnam as a volunteer. He had already completed his master's degree work in college. He didn't have to go, but he felt that he should

serve our country. And he went to Vietnam. And in the combat zone, he got out of a helicopter one afternoon and, seeing a grenade lying nearby, threw himself upon it and lost his arm and both his legs and came back severely wounded.

He has overcome that handicap in a way that has never demanded sympathy. I have known Max Cleland for many years, and he manages his own affairs. He never asks for special consideration. He is a strong and forceful leader, and his responsibility will be to manage the complicated services to those in the Vietnam war, the Korean war, the World War—and, perhaps, even some of older wars than that—who are legitimately receiving special services from our Government because of their willingness to offer their lives, if necessary, to preserve our country and what it is.

I don't think we could have two more startling contrasts among young men, each deeply patriotic, each committed to preserving our Nation's character in their own special way, than Sam Brown and Max Cleland. I am very proud that Max Cleland will take over the administration of the Veterans Administration.

I'd also like to introduce to the group Evan Dobelle, a young man, I think, only 31 years old—all three of them are young. Evan is a very distinguished public servant in his own right. He was a special assistant for Senator Brooke. He later worked in the environmental protection field in the State of Massachusetts. He was twice elected as mayor of Pittsfield, Massachusetts. He was a Republican and was converted about 2 years ago when I met him and his wife, Kit. And now he will be, in effect, the Ambassador of all the Ambassadors. He will be the Chief of Protocol of our country. He is the youngest man or woman who has ever served in this capacity.

Well, I think you all see that this is a new generation of leadership in dealing with crucial elements of our Nation—caring for those who have served, offering an opportunity for nongovernmental employees who want to serve, and dealing with foreign countries in the most sensitive interrelationships here in Washington.

And I am very deeply thankful for these young men who have shown their willingness to serve again. So to Max Cleland and to Sam Brown and to Evan Dobelle, I want to express my thanks and my congratulations.

Now we will have the oath of office administered.

NOTE: The President spoke at 2:03 p.m. in the Oval Office at the White House. Following his remarks, Chief Executive Clerk Robert D. Linder administered the oath of office.

Department of the Interior

Nomination of Guy R. Martin To Be an Assistant Secretary. March 2, 1977

The President today announced that he will nominate Guy R. Martin to be an Assistant Secretary of Interior (Land and Water Resources). Martin is currently the Commissioner of Natural Resources of the State of Alaska, in Juneau.

Martin was born in Denver, Colo., on April 25, 1942. He received a B.A. degree from the University of Colorado in 1964 and a J.D. from the University of Colorado School of Law in 1967.

From 1967 to 1971, Martin was an associate professor of political science and university attorney at Alaska Methodist University, in Anchorage. From 1968 to 1970, he was also an attorney for the law firm of McGrath, Wohlforth and Flint, in Anchorage.

Martin was legislative assistant to Alaska Representative Nick Begich from 1971 to 1973. He worked as an attorney in the office of the Washington counsel for the State of Alaska from 1973 until 1975, when he became Alaska Commissioner of Natural Resources.

Martin wrote several chapters for a comprehensive text on the Alaska Native Land Claims Settlement Act, published in 1975 by the Institute for Social, Economic and Government Research of the University of Alaska.

He is married to the former Nancy Jane Sand. They reside in Anchorage, Alaska.

Department of the Interior

Nomination of Robert L. Herbst To Be an Assistant Secretary. March 2, 1977

The President today announced that he will nominate Robert L. Herbst to be an Assistant Secretary of the Interior (Fish, Wildlife and Parks). Herbst is currently Commissioner of the Minnesota Department of Natural Resources.

Herbst was born October 5, 1935, in Minneapolis. He received a B.S. in forest management from the University of Minnesota in 1957. He served as an instructor at the University of Minnesota in 1956 and 1957.

From 1957 to 1963, Herbst served as a forester with the Minnesota Conservation Department. He was executive secretary of Keep Minnesota Green, Inc., from 1963 to 1966.

Herbst served as deputy commissioner and acting commissioner of the Minnesota Conservation Department from 1966 to 1969. From 1969 to 1971, he was national executive director of the Izaak Walton League of America.

Herbst was appointed Commissioner of Natural Resources for the State of Minnesota in 1971.

He is the recipient of many awards, including the "Best Conservation Education Program in the Nation" from the American Association for Conservation Information, 1974.

Herbst and his wife, Evelyn, have three children and reside in Bloomington, Minn.

National Energy Policy

Announcement of Invitation to the Public To Assist in the Formulation of a Comprehensive Policy. March 2, 1977

The White House today announced it was issuing a broad invitation to the public to assist, through its comments, in the formulation of a comprehensive national energy policy by April 20.

James R. Schlesinger, Assistant to the President on energy matters, said the invitation was being extended in a letter to some 450,000 citizens and through publication of a notice in the **FEDERAL REGISTER**.

Some 300,000 of the letters were sent to private citizens selected at random from Bureau of Census lists and meant to represent a cross-section of the population.

Other letters went to: 6,000 members of the League of Women Voters, environmentalists, conservationists, and members of other public interest groups; 4,500 State and local officials; almost 20,000 members of the academic community; leaders of labor organizations; every Member of Congress; some 115,000 representatives of both small and large businesses and industries, and 3,000 individuals from the news media.

The mailing was undertaken to supplement the reach of the notice in the **FEDERAL REGISTER**. It consists of an announcement from Mr. Schlesinger and a reprint of the **FEDERAL REGISTER** notice.

The effort is in keeping with President Carter's commitment to involve the public as much as possible in the affairs of their Government.

Citizens are urged to return written replies to P.O. Box 2778, Washington, D.C. 20013, by March 21.

Among the issues on which citizens are asked to comment are:

- the proper actions to achieve conservation of energy resources;
- the proper scope and emphasis in developing new or additional energy resources;
- the approach for the proper protection of the environment;
- the appropriate role for Federal, State, and local government;
- the most equitable approach to the sharing of any burdens fairly within the society, as well as other matters.

NOTE: The notice is printed in the **FEDERAL REGISTER** of March 2, 1977.

State and Local Officials Involvement in Administration Policies and Programs

Memorandum for the Heads of Executive Departments and Agencies. February 25, 1977

Memorandum for the Heads of Executive Departments and Agencies

Throughout the campaign and transition period, I made a firm commitment to state and local officials that they would be involved in the development of my Administration's policy and budget priorities

and programs. I pledged that such consultation would occur at the earliest possible stages in order to make it significant and fruitful.

That kind of state and local involvement is critical to the ultimate success of this Administration because:

- State and local sectors constitute the delivery mechanisms for *most* of the actual services the federal government provides;
- State and local concerns, as well as their expertise, should be considered as programs are being developed in order to ensure the practicality and effectiveness of the programs;
- Such early participation by state and local officials in our planning process will help ensure broad-based support for the proposals that are eventually developed.
- It will ensure that priorities developed at the federal level will work in conjunction with, and not at cross purposes to, priorities at the state and local level.

In order to assure that these objectives are met, please include in any major policy, budget or reorganization proposal which has significant state and local impact, a brief description of how you fulfilled this commitment on my behalf. It is not necessary to hold large and time-consuming public hearings, or to establish large task forces to accomplish this goal. Selecting state and local officials expert in a particular issue and asking for their assistance in developing a program will often serve our purpose.

The most important part of this consultative process is that it be genuine and timely.

JIMMY CARTER

NOTE: The text of the memorandum was made available by the White House Press Office on March 3. It was not issued in the form of a White House press release.

Department of Housing and Urban Development

Nomination of Jay Janis To Be Under Secretary. March 3, 1977

The President today announced that he will nominate Jay Janis to be Under Secretary of Housing and Urban Development. Janis is senior vice president of Management and Business Affairs at the University of Massachusetts.

He was born December 22, 1932, in Los Angeles, Calif., and received a B.A. degree from Yale University in 1954.

Janis was a builder for the Janis Construction Co. from 1956 to 1964. From 1964 to 1966, he was a special assistant to the Under Secretary of Commerce.

Janis was executive assistant to the Secretary of Housing and Urban Development from 1966 to 1969. From 1969 to 1975, he was a coprincipal in MGIC-Janis Properties, Inc., a building and community development company in Florida. In 1976 he became a vice president at the University of Massachusetts.

Janis was chairman of Florida Governor Reubin Askew's Housing Goals Council from 1973 to 1975. In 1972-73 he was chairman of the NAHB Land Use Policy Committee. In 1974-75 Janis served as president of the board of trustees of the Florida International University Foundation. He was chairman of the Dade County Community Relations Board in 1972.

Janis is married to the former Juel Mendelsohn. They have two children and reside in Coral Gables, Fla.

Department of the Treasury

Nomination of Bette B. Anderson To Be an Under Secretary. March 3, 1977

The President today announced that he will nominate Bette B. Anderson to be an

Under Secretary of the Treasury. She is vice president of the Citizens and Southern National Bank in Savannah, Ga.

Ms. Anderson was born on October 16, 1928, in Stilson, Ga. She attended Georgia Southern College and Armstrong State College and received certification from the Stonier Graduate School of Banking at Rutgers University in 1975.

Ms. Anderson began her career with the Citizens & Southern National Bank in 1947 as a teller trainee. She became assistant cashier in 1960, and an assistant trust officer in 1968. In 1969 she became cashier of the bank, and in 1970 she became a banking officer.

Ms. Anderson became assistant vice president of the bank in 1973 and vice president in 1976.

She is president of the National Association of Bank Women for 1976-77, and was chairman of the Association's National Advisory Committee of the Educational Foundation in 1975. She was president and trustee of the Educational Foundation in 1974, and chairman of the Association's National Legislative Committee in 1972-73.

Ms. Anderson is married to George H. Anderson. They have a daughter, Sue, and reside in Savannah, Ga.

He was born in Houston, Tex., on October 6, 1939. He received a B.A. degree from Southern Methodist University in Dallas, Tex., in 1960, and a J.D. degree from the University of Chicago Law School in 1963.

Godley served as counsel to the Senate Veterans' Affairs Subcommittee in 1964 and as press assistant to Senator Ralph Yarborough of Texas in 1965. In 1966 and 1967, he was a management consultant with Booz, Allen and Hamilton, and in 1968 he served as legislative assistant to Senator Yarborough.

Godley served as administrative assistant to Senator Yarborough in 1969 and 1970. In 1970 and 1971, he was general counsel to the Senate Labor and Public Welfare Committee. From 1971 to 1973, he was general counsel to the Senate District Committee. In 1972 he also served as an adjunct professor of law at Catholic University.

From 1973 to 1976, Godley was administrative assistant to Senator Thomas F. Eagleton of Missouri. In August 1976, he became director of the Mondale advance operation for the Carter-Mondale campaign. After the election he worked on the transition staff.

Godley is married to the former Lisbeth Kamborian. They have two children and reside in the District of Columbia.

Department of the Treasury

Nomination of Gene Godley To Be an Assistant Secretary. March 3, 1977

The President today announced that he will nominate Gene Godley to be an Assistant Secretary of the Treasury (Legislative Affairs). Godley worked on the Carter-Mondale transition staff with the political advisory group in the office of the Vice President-elect, working on economic issues.

International Humanitarian Law in Armed Conflicts

Announcement of the Accordance of the Personal Rank of Ambassador to George H. Aldrich While Serving as Head of the U.S. Delegation to a Diplomatic Conference. March 3, 1977

The President today announced that George H. Aldrich will be accorded the personal rank of Ambassador while serv-

ing as head of the U.S. delegation to the Fourth Session of the Diplomatic Conference on the Reaffirmation and Development of International Humanitarian Law Applicable in Armed Conflicts. The conference is scheduled to be held in Geneva, Switzerland, from March 17 through June 10, 1977.

Aldrich is currently a deputy legal adviser of the Department of State. From 1965 to 1969, he was assistant legal adviser for East Asian and Pacific Affairs in the State Department, and from 1963 to 1965 he was legal adviser to the U.S. delegation to the North Atlantic Council in Paris.

Aldrich was chairman of the U.S. delegation to the 1971 and 1972 Geneva Conferences of Government Experts on International Humanitarian Law Applicable in Armed Conflicts and to the 1974, 1975, and 1976 Diplomatic Conferences on the same subject.

Aldrich was legal adviser to Dr. Henry Kissinger for the Vietnam negotiations in Paris in 1972 and 1973, and principal crafter of the protocols to the Agreement on Ending the War and Restoring the Peace in Vietnam.

He was also head of the U.S. delegation to the Conference of Government Experts on Possible Prohibitions or Restrictions on the Use of Certain Conventional Weapons in Lugano, Switzerland, in 1976.

Airline Industry Regulation

Message to the Congress. March 4, 1977

To the Congress of the United States:

As a first step toward our shared goal of a more efficient less burdensome Federal government, I urge the Congress to reduce Federal regulation of the domestic commercial airline industry.

One of my Administration's major goals is to free the American people from the burden of over-regulation. We must look, industry by industry, at what effect regulation has—whether it protects the public interest, or whether it simply blunts the healthy forces of competition, inflates prices, and discourages business innovation. Whenever it seems likely that the free market would better serve the public, we will eliminate government regulation.

This will take time, careful study, and extensive participation by all affected parties. But we can start with domestic commercial aviation, an area where Congress has already led the way toward regulation reform.

The statute which governs this industry has not been fundamentally changed since it was first enacted in 1938. At that time, the aviation industry was in its infancy. Many people believed that, unless the government intervened to set prices and control competition, the industry would never develop in a sensible way.

Since 1938, the industry has grown enormously. The regulatory scheme designed nearly 40 years ago to protect a developing industry is no longer suited to today's mature industry. Regulation, once designed to serve the interests of the public, now stifles competition. It has discouraged new, innovative air carriers from offering their services and it has denied consumers lower fares where they are possible.

The effect of such regulation has been recently documented. Since 1950 the Civil Aeronautics Board has received approximately 80 applications to enter scheduled trunk service from firms outside the industry. It has granted none.

On February 23, 1977, the General Accounting Office released a report which shows that regulation of domestic airlines has kept air travel costs up. The report concludes that:

—because of Federal regulation, air fares are between 22 and 52% higher than they otherwise would be.

—between 1969 and 1974, Federally regulated airlines in the United States could have operated at lower costs than they did, and travelers could have saved \$1.4 billion and \$1.8 billion annually.

—travelers' savings would probably have been even higher, since lower fares would encourage greater travel.

I am pleased that Congress has recognized that the outdated airline regulatory scheme must be reformed. During the last Congress, both the Senate and the House of Representatives held extensive hearings on various proposals to reduce government regulation and allow the airlines to compete.

I urge Congress to enact, without delay, regulatory reform of domestic commercial aviation.

The legislation should be directed toward certain specific objectives:

1. To the maximum extent possible, our domestic commercial airline industry should be governed by competitive market forces, not the decisions of a government bureaucracy.

2. We should ease the restrictions which now prevent entry into the industry and into currently protected routes, so that the new, innovative companies can offer their services to the public. A financially responsible firm which meets applicable safety standards should be denied entry only if the Civil Aeronautics Board can show that entry would be detrimental to the public interest.

3. Carriers should be allowed to expand their routes, within limits, without obtaining approval from the Board.

4. After a short, initial phase-in, carriers should be free to set competitive prices, with only such regulation as is necessary to prevent predatory, below-cost pricing.

5. Carriers should be given more flexibility to leave markets without prolonged hearings or onerous restrictions.

6. Small communities must be protected against the loss of needed air service.

It will take time to change from a system of extensive government regulation to one emphasizing the natural forces of the marketplace. As we make this change, we must take care to protect the legitimate interests of the public and of the air industry and its employees.

My Administration will cooperate fully with Congress throughout the legislative process so that legislation can be enacted by summer.

JIMMY CARTER

The White House,

March 4, 1977.

Digest of Other White House Announcements

The following listing includes the President's daily schedule and other items of general interest as announced by the White House Press Office during the period covered by this issue. Events and announcements printed elsewhere in the issue are not included.

February 26

The White House announced that Jack H. Watson, Jr., Assistant to the President for Intergovernmental Affairs, will serve as the coordinator of Federal drought assistance. In performing these responsibilities, Mr. Watson will be assisted by designated regional representatives and a White House staff group. Information has been requested from the Government of drought-afflicted States with respect to the particular situations in those States.

Administration of Jimmy Carter, 1977

February 27

The President returned to the White House from Camp David, Md.

February 28

The President met at the White House with:

- Zbigniew Brzezinski, Assistant to the President for National Security Affairs;
- senior White House staff members;
- the Cabinet;
- Vice President Walter F. Mondale;
- entertainer John Denver;
- members of the Cabinet and State Governors who were in Washington to attend the winter session of the National Governors' Conference.

March 1

The President met at the White House with:

- Dr. Brzezinski;
- a group of Congressmen attending a briefing on energy reorganization legislation;
- members of the Congressional Hispanic Caucus to discuss concerns of Spanish-speaking people;
- Secretary of the Treasury W. Michael Blumenthal;
- Bert Lance, Director of the Office of Management and Budget.

The President transmitted to the Congress the report of the 1975 upland cotton program.

The President attended a portion of a meeting at the White House between Vice President Mondale and Soviet author Vladimir Bukovsky.

March 2

The President met at the White House with:

- Dr. Brzezinski;
- Ambassadors Ellsworth Bunker and Sol Linowitz, who reported on their recent negotiations on the Panama

Canal, Vice President Mondale, and Dr. Brzezinski;

- Gov. Carlos Romero-Barcelo of Puerto Rico to discuss Puerto Rico's economic problems;

—Gov. George Wallace of Alabama.

The White House announced that the President has directed Robert Lipshutz, Counsel to the President, to look into the matter of possible conflicts of interest in the executive branch, with regard to a General Accounting Office report which cited examples of such conflicts.

March 3

The President met at the White House with:

- Dr. Brzezinski;
- the National Security Council;
- Mr. Lance and Charles L. Schultze, Chairman of the Council of Economic Advisers;
- El Hadg Omar Bongo, President of the Gabonese Republic;
- Jesse Unruh, State Treasurer of California.

The White House announced that the President has declared an emergency for the States of New Mexico and Michigan because of the impact of a drought, and for the State of North Carolina because of the impact of drought and freezing.

March 4

The President met at the White House with:

- Dr. Brzezinski;
- Secretary of Transportation Brock Adams;
- Mr. Lance;
- George Meany, president of the AFL-CIO;
- Clark M. Clifford, who reported on his recent trip to Cyprus, Greece, and Turkey, Vice President Mondale, Secretary of State Cyrus Vance, and Dr. Brzezinski.

The President received the first sheet of Easter Seals, symbolizing the start of the 1977 Easter Seal Campaign, from Danya Steele, 7, of Little Rock, Ark., the National Easter Seal Child.

NOMINATIONS SUBMITTED TO THE SENATE

The following list does not include promotions of members of the Uniformed Services, nominations to the Service Academies, or nominations of Foreign Service officers.

Submitted March 1, 1977

ROBERT THALLON HALL, of Virginia, to be an Assistant Secretary of Commerce, vice John W. Eden, resigning.

Submitted March 3, 1977

GUY RICHARD MARTIN, of Alaska, to be an Assistant Secretary of the Interior, vice Jack O. Horton, resigned.

ROBERT L. HERBST, of Minnesota, to be Assistant Secretary for Fish and Wildlife, Department of the Interior, vice Nathaniel Pryor Reed, resigned.

Submitted March 4, 1977

RICHARD M. MOOSE, of Arkansas, to be Deputy Under Secretary of State.

DOUGLAS J. BENNET, JR., of Connecticut, to be an Assistant Secretary of State.

HODDING CARTER III, of Mississippi, to be an Assistant Secretary of State.

RICHARD N. GARDNER, of New York, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Italy.

BETTE BEASLEY ANDERSON, of Georgia, to be an Under Secretary of the Treasury, vice Jerry Thomas, resigned.

ANTHONY MORTON SOLOMON, of Virginia, to be Under Secretary of the Treasury for Mon-

NOMINATIONS—Continued Submitted March 4—Continued

etary Affairs, vice Edwin H. Yeo III, resigned.

GENE E. GODLEY, of the District of Columbia, to be a Deputy Under Secretary of the Treasury, vice Harold F. Eberle, resigned.

JAY JANIS, of Florida, to be Under Secretary of Housing and Urban Development, vice John B. Rhinelander, resigned.

CHECKLIST OF WHITE HOUSE PRESS RELEASES

The following releases of the Office of the White House Press Secretary, distributed during the period covered by this issue, are not included in the issue.

Released February 28, 1977

News conference: on the President's meeting with the National Governors' Conference—by Gov. Reubin Askew of Florida

Released March 1, 1977

News conference: on the President's Department of Energy proposals—by James R. Schlesinger, Chairman of the Energy Resources Council

Fact sheet: proposed energy reorganization legislation

Proposed legislation: energy reorganization

Released March 4, 1977

News conference: on reducing Federal regulation of the domestic commercial airline industry—by Brock Adams, Secretary of Transportation

ACTS APPROVED BY THE PRESIDENT

Approved March 3, 1977

H.R. 3753----- Public Law 95-8

An act to bring certain governing international fishery agreements within the purview of the Fishery Conservation Zone Transition Act.

PRESIDENTIAL DOCUMENTS

Week Ending Friday, March 11, 1977

Interview With the President

*Remarks and a Question-and-Answer Session
With a Group of Publishers, Editors, and
Broadcasters. March 4, 1977*

THE PRESIDENT. I just about got myself adopted by all of your States, not all the newspapers, unfortunately, in the last election.

ASSESSMENT OF FIRST DAYS IN OFFICE

I'd like to say, first of all, that I'm very grateful to initiate an effort to let the editorial leaders of our country get acquainted with me and my White House staff and, particularly Jody Powell and his group, so that we might have the kind of relationship that's easy and natural and personal as the next 4 years and the events unfold.

We've been in office now for about 6 weeks, I think, and I've learned an awful lot. I've enjoyed the job so far, and I think that we've now got a fairly good working relationship among the White House staff members. Although it's much smaller, as you noticed, than it has been in the past, it's much more intimate and, I think, hopefully much more homogeneous in their pursuit of common goals.

Secondly, I think we've got a superb and a very strong Cabinet. Each person

that I've chosen in this early 6-weeks' test has shown that he or she is able to manage the major department which is their responsibility. And I don't feel there is a single one that has disappointed me in that respect. I don't feel that now or in the future I have to go into their department and help them manage the complicated responsibilities that are on their shoulders.

I might say, too, that we've got a fairly good relationship now with the Congress. We started off on shaky ground. They were accustomed—the Democratic majority was, at least—to have a combative relationship with the White House instead of a cooperative one. We have now put together, after some considerable delay, congressional liaison people with all the major departments, so that they can work with Frank Moore, my own congressional liaison leader—to deal with the Congress.

We've learned the Members—their special interests and capabilities and sensitivities, and I think we've worked out now an increasingly good relationship with them.

Obviously, there are going to be many times in the future when we'll have strong disagreements about my proposals to them. But their early approval of the natural gas emergency legislation, the

overwhelming vote of the Senate on the reorganization bill which was highly controversial, even in the Senate, at first, is encouraging—we won't have that easy time in the House. I think we have an excellent chance to get an early approval of the new and major Energy Department which was a puzzle that was faced with potential pitfalls of a very serious nature—these are good indications at the beginning.

I've had a constant reassessment by my own staff and me of my campaign commitments. We've even had collected for my own personal use, 2 or 3 months ago, a complete book of every statement that I've ever made on any issue. And we went back through all the local newspapers, including your own, to make sure that if I made any local statement, that it was included. I think the book was—I've forgotten—110 pages. And we never anticipated it going to the news people, but they demanded to have it, so we just gave it to them as it was. I hope to carry out all of my promises.

The last point I'd like to make before I answer your questions is that I've established, I think, a working relationship with many of the foreign leaders already, either directly or by telephone or letter or by use of normal diplomatic communications channels, and I hope that I've established as good a relationship with the American people.

We've already had one fireside chat. I committed myself to at least two full-scale press conferences every month, live. I will have tomorrow, a 2-hour call-in telephone opportunity for American people, and I expect to be cross-examined on issues over which I would have very little control, if any.

Later, I intend to make a major speech at the United Nations on foreign affairs, perhaps even this month. And I expect to make another major speech to the Con-

gress on the 20th of April or thereabouts—my first, to the Joint Session—on the new energy policy.

We will make a trip to two or three States this month for a couple of days to let me have town-meeting-type intercommunications with the people who are interested.

We are exploring in new ways, and hopefully effective ways, to let the American people believe legitimately that it is their Government, that they have access to me and to those who work with me, and that we don't have anything to conceal.

I know you built up, perhaps, some questions that you want to ask me. And I'll try my best to answer them.

QUESTIONS

CONCERNS OF THE PRESIDENT

Q. Mr. President, you spoke of some of the satisfactions of your first 6 weeks—legislation passed or moving along through Congress. Could you look at the other side of the coin for a minute and talk, perhaps, about some of the disappointments and/or surprises that you have felt in your first 6 weeks about the Government or the job?

THE PRESIDENT. One of the surprises has been the almost total absence of any sort of confidentiality around Washington on matters that I think, sometimes, we would like to hold to ourselves. I've been quite disconcerted at some of the CIA revelations, for instance, and I believe it's damaged us considerably in our capability of obtaining adequate intelligence information from other countries.

I might say that all of the revelations have been explored by me personally. All those that were at all accurate—and that would be less than a majority of them—were previously assessed by the Intelligence Oversight Board and also by Presi-

dent Ford personally. And I found no impropriety in them. But that has caused me some concern. How to maintain in a democracy, truthfulness and frankness with the American people on the one hand, through the news media, and on the other hand preserve a mandatory degree of confidentiality about intelligence sources?

This is important even in peacetime. But it would be crucial to us in time of an international crisis to have the people that give us information, completely in a legitimate way, know that their help to us, their aid to us, their friendship to us, wouldn't be revealed publicly.

That's been one thing that's been of some concern to me. The other is that we've had a slow change in the attitude of some leaders in Washington, Congress and otherwise, toward the White House. I think we've tried to make some basic changes—and it's been slow, but I think progressively successful—to let them know that I am accessible; that I am depending heavily on Cabinet officers to make basic decisions; that they need not come to a Haldeman or an Ehrlichman to get an answer concerning domestic affairs; that Cy Vance is using the entire Foreign Service professional organization in the State Department to pursue international matters; that we are dealing through major emissaries simultaneously in different troublespots around the world; that we're not having just the Secretary of State be the negotiator.

I think it's been a slow thing for us to get these ideas across. We still are not completely successful. Those are a couple of things that come to mind.

SHOE INDUSTRY

Q. Mr. President, the concern of the people of New Hampshire, I think, has been addressed to you by Senator McIn-

tyre over the shoe industry, and we've talked about this a little bit today. Dr. Gramley said earlier today that to put import quotas or tariffs on any foreign products would be unwise, it would push the cost up to the consumer. Have you made any decisions yet regarding import quotas or tariffs as it might affect the shoe industry?

THE PRESIDENT. No. The thing we all have to balance is obvious. One is the adverse impact on employees in the shoe industry if imports are permitted; the other one is the overall adverse impact on consumers, as the prices would inevitably go up. This recommendation has not yet gotten to me, and I have not made a judgment on it.

OIL AND NATURAL GAS PIPELINES

Q. Mr. President, oil will be flowing out of Prudhoe Bay this year, later, and so far there is no place for it to come into the Lower 48. How are you trying to work to find us some way to get oil into this country from Alaska, into the Lower 48?

THE PRESIDENT. Well, as you know, the first pipeline will be in operation later on this year, I hope. And I had quite extensive conversations with Prime Minister Trudeau from Canada and from his staff. Today, his Energy Commissioner is in the White House meeting with Dr. Schlesinger on that particular subject, to probe future opportunities to cooperate with the Canadians, if that proves to be advisable, on the routing of both oil and natural gas from the northern parts of our continent down here.

By September 30, I have to make a judgment on the other pipeline routes. The Congress has given me that responsibility. I have an option under the law to delay 60 days, I think, after September 30, to make the recommendation.

My expectation and hope is that I will make that decision on time. We are obviously considering the North Slope and other northern oil and natural gas sources, even including some of those in Canada, in evolving the energy policies that will be revealed on April 20.

I think that we now have an improving relationship with Canada. As you know, in the central northern part of Canada, they have substantial supplies of natural gas which are surplus to them and will be for many years in the future. And whether they'll bring the natural gas route down through that field in Mackenzie Bay area—the Mackenzie Valley area, so that we can use our North Slope natural gas plus theirs, as well, in the same pipeline, is something that I'll have to decide.

We have environmental questions, as you well know, on the western coast, particularly in California.

So, my answer is that we are considering all those options. We have a good relationship with the Canadians. They share with us that responsibility if it becomes necessary to do so, and we'll make—I'll make my judgment on all the alternate oil and natural gas pipeline routes by September 30.

ENERGY SOURCES AND COSTS

Q. Mr. President, what would be your attitude toward a fairly modest—you mentioned—well, there was some talk about a 25-percent increase in the gas tax. What would you think about a fairly modest increase of, say, 5 cents a gallon with—[*inaudible*]—revenues for the alternate energy sources, development of alternate energy sources?

THE PRESIDENT. The figure that you referred to was in a question which I didn't answer.

Q. Yes.

THE PRESIDENT. But I'll try to answer your question as best I can.

I'm faced with a need to, first of all, encourage and require conservation. And that's by far the preeminent consideration in the new energy policy that will be forthcoming.

Second, we are faced with the inevitable depletion of the source of oil and natural gas in our own country. It's been dropping at about 6 percent per year for the last number of years.

Third, we are now faced with the fact that we are importing about 50 percent of our total oil supplies. And we have adequate supplies of coal, and we have problems with atomic power. I'm not sure that we need to greatly expand the rate of production of natural gas and oil in our own country. Whether it's better to leave those supplies in the ground and have a continuation of the present rates of production increase or decrease may be the optimum. I don't know that yet.

We do need to make sure that the consumer prices are not excessive and that the oil companies have an adequate amount of capital to continue their explorations. But I'm not as dedicated to a crash program for exploration of the extraction of oil and natural gas as some others that have been involved in the process.

So, the last point that I'd like to make—and I'm speaking in some generalities—is that deregulation of natural gas is something that I'm committed to for a limited period of time. I would like to combine this with a prohibition against excessive profits by the oil companies that I don't think the consumers would stand for.

So, the reason I can't answer your question specifically is I don't know the answers yet. I would hope that by the end of April, the 20th of April, which I've set as a deadline, that I would have a complete package put together so that

the oil companies, the consumers, the coal producers, the automobile companies, overseas suppliers, those who are interested in building up a reserve supply of oil in the salt dome, would all know how it fits together because, if we come out, I think, with one tiny portion of the policy to be examined on its own merits alone, it obviously helps some people and hurts more.

But the comprehensive nature of the package that we come out with, and with fairness of it in toto, is the only thing that I have that might be a basis on which it can be accepted, because if I just come out with a conservation package and nothing else, the people are going to object to it. If I come out with a deregulation and nothing else, the consumers are going to object, and so forth.

I just can't answer your question any better than that.

Q. Can I follow up on that question?

THE PRESIDENT. Yes.

Q. This is a followup on that question: In the area of Ohio where I'm from, the big concern is on the price of gas and oil. The winter has hurt us because we've lost our supply of gas, and the prices have reached the point where, as I said earlier today, they are higher than the mortgage payments on houses, in some cases—of gas and oil and electricity. And that's what—a real concern there. And I was just wondering how you were going to address yourself to that?

THE PRESIDENT. Well, I can say one thing in general terms. The price of natural gas, at least in commercial use, is too low. This encourages the stationary power generating plants to use natural gas in preference to oil and coal, which they should use. I think natural gas has got two basic future uses—hopefully, as long as we can have it available: one is in the heating of homes, and the other one is as a raw material. And also, it's a

heat source when purity and an absence of exhaust gases are crucial.

So, I think there is inevitably going to be an increase, a substantial increase in the price of natural gas. We're going to do all we can to hold down or to eliminate the use of natural gas in stationary power generating plants and also to minimize the use of oil and shift toward coal.

I think that as time goes on, the price of all energy sources is going to go up even faster than the rate of inflation. But I'm going to do what I can to minimize those increases.

The last point is that we've got some environmental tradeoffs. In most instances an increase in the efficiency of automobiles and the purity of the automobile exhausts work at cross-purposes. There are possibilities for exceptions, and there is no need for me to go into the technicalities of it. And to shift toward coal as a primary heat source in stationary power generating plants causes us to have some problem, as you know, with the sulfur dioxides.

I think that we can resolve both those questions. In Georgia for a number of years, long before I was Governor there, we shifted to coal, and we met the environmental standards, which in our State are quite strict, by permitting the tall stacks. Most of the stacks, for instance, for electric power plants are about 1,100 feet high. And we now generate about 85 percent of our electricity in Georgia from coal.

In States like Arkansas, Florida, I'd say it would be less than 15 percent. We just lucked up on that particular decision.

But it's such an extremely complicated subject, as you can see, that it's hard to talk about it in fragments with any sort of definite statements on my part. I just don't want to disrupt the American consciousness about the energy problem by

singling out a particular part of it and saying that this is going to go up in price, this is going to go down in quantity. It's hard for me to answer your question any better.

ST. LOUIS AIRPORT

Q. Mr. President, the Nation, and St. Louis in particular, where they're celebrating Charles Lindbergh's 50th anniversary this year—and there is an irony involved in this, because the State of Illinois is in the process of skyjacking St. Louis airport—I'm sure you are familiar with the situation.

THE PRESIDENT. The people from Illinois didn't express it exactly the same way.

Q. I understand. [*Laughter*] In any event, Secretary Adams has under review a decision by the Ford administration to go ahead and approve this unwanted, unneeded, billion-dollar boondoggle airport rather than to keep St. Louis airport and the *Spirit of St. Louis* where it belongs.

Now, considering your concern for unnecessary spending and your interest in cutting back various public works projects, could we count on you to use your influence to celebrate Lindbergh's flight in the proper manner by keeping St. Louis airport where it belongs?

THE PRESIDENT. Well, let me make two affirmative statements. Your question, which reconfirms my assessment of the objectivity of the press—[*laughter*—is well expressed and doesn't presuppose an answer, nor bias my answer, I'm sure.

And I might say that my own home county in Americus, Georgia, shares with you an interest in Lindbergh. He bought his first airplane at Sutter Field in Americus. I don't know what the decision will be about the airport yet. I will probably go along with the recommendation made by Brock Adams.

He and I have discussed it a couple of times. I'm not familiar with the merits on both sides. I have heard the argument that you've just expressed in your question. But I can't answer the question yet.

Q. You are aware of the bipartisan support for the position as I expressed it?

THE PRESIDENT. I am. And I've heard it explained very clearly to me during the campaign, primarily from the St. Louis point of view. It's not nearly so burning an issue in Illinois as it is in Missouri, as you know, but primarily, I guess, because they came out on the good end of the decision. I don't know how to answer your question yet. I am not being evasive. The decision just has not been made.

ENERGY CONSERVATION

Q. Mr. President, back to energy just for a second. Without asking you to fragment things, Senator Jackson and others have talked about the conservation side of it by saying that any conservation would have to have some mandatory side or it really wouldn't be a program at all. Are you far enough along with your thinking to talk about at all whether there would be some mandatory conservation measures?

THE PRESIDENT. Yes. There would be mandatory conservation measures. We're trying to concentrate in the new Energy Department, an adequate amount of cohesion and authority to carry out the energy policy that will be put forward on April 20. And there will certainly be a continuation of mandatory constraints on the use of energy.

As you know, the Congress passed already a time schedule for mandatory efficiency of automobiles, whereas, I think, by 1985 the average miles per gallon of all automobiles produced in this country has to equal 27½ miles a gallon. That rate of improvement in efficiency might

have to go up even faster under the new energy policy.

I would guess that we would also put into effect some FHA or, perhaps, other housing program requirements on insulation standards. And we might very well, either through reward or through tax measures or through legislation, rapidly phase out the use of natural gas as a heat source in stationary powerplants when coal or oil can be an adequate substitute.

Those are some of the kinds of things that we would do in a mandatory way and, of course, any of them can be imposed effectively only to the extent that the Congress and the American people think that they are fair. And I would say that that's my ultimate responsibility, to assure that they are equitable and fair. So the answer is yes about mandatory conservation.

WATER RESOURCE PROJECTS

Q. Mr. President, most of us in the West find it difficult to understand why the decisions concerning water projects was made before consultation with State and regional officials, and the fact that only now are the States invited to come in and justify those projects. This suggests that perhaps the decision has already been made, and that this justification is really only—[inaudible]—would you care to comment on that?

THE PRESIDENT. I'll be glad to. The ultimate decision won't be made by me. The ultimate decision will be made by the Congress. And my own judgment is that none of those projects are worthy and that none of them ought to be completed or continued.

My staff and I identified, after a fairly laborious analysis, 35 projects that I thought ought to be canceled. I met with the leaders of the Office of Management and Budget, the Interior Department,

and the Corps of Engineers to discuss those 35 projects. We felt that the 19 that were deleted should not be built.

I'm not trying to speak for the other agencies involved, but what I also decided was to go ahead and cut them out of the budget, since I had a deadline on the budget submission to Congress; to express my commitment very clearly that, unless I changed my mind, I would personally oppose them. And I will continue to take my case to the American people, if necessary, to stop what I consider to be a gross waste of the American taxpayers' money in some instances.

If, during this 60-day assessment period, it is shown me that the benefit/cost ratios are favorable, that there are no serious environmental consequences of construction, and that the construction will result in a safe storage of water, then I will change my mind.

But I wouldn't want to create the impression in you that it was a decision that was lightly made. I did not underestimate the political consequences of it. I feel like I have a responsibility as a President to terminate projects, even though they may have been favorably considered 25 or 20 years ago, and the circumstance is now changed. I think I have a responsibility as President to do that.

I might say two other things: One is that I don't hold the Congress nor the Corps of Engineers nor the Interior Department reclamation agency at fault. Many of these projects were favorable when there was no consideration for environmental quality, when we didn't have concern about earthquake fault zones, and when the interest rate on borrowed money was 2⅓ percent, and when committee chairmen in the Congress, very powerful, quite often would just put their name on the list and slowly have a project come up to the top, even though it was not advisable. Those times have changed.

The cumulative total of the cost of these projects as presently projected is \$5.1 billion. I would guess at the end of 7 or 8 or 10 years, however long the construction takes, because of inflationary trends and so forth, it would be much greater than that.

I'm committed to balance the budget by 1981, and I intend to carry out that commitment. I don't see how I can possibly do it by wasting money. And in my opinion, several of these projects—I'm not going to single them out—would be better not built if they didn't cost anything, if they were free—but because of their enormous expense, I think they ought to be terminated.

Q. To follow on there, Mr. President—

THE PRESIDENT. Please.

Q. What's the future role of the Federal Government in the field of water conservation in the West, and what is the present feeling of the administration?

THE PRESIDENT. I think it would be good. As you probably know, we have 320 projects in all, and my deletions comprise 19 of them, so we're not wiping out water resources projects. We're not putting out of business the Corps of Engineers nor the Bureau of Reclamation in the Department of the Interior. We're just reassessing all the projects. And I want to eliminate those that are ill-advised, but I certainly support those that are useful and needed.

I recognize the enormous interest of local Chambers of Commerce, and so forth, in having that money either spent or, in my view, wasted in a community. It creates temporary jobs and it's a matter of status, and quite often, the status of congressional Members is at stake.

I recognize all that. I faced this in Georgia. I canceled about a \$200 million or \$300 million project in my own State

while I was Governor. It wasn't an easy thing to do. But somebody's got to bite the bullet and say this needs to be done.

The same thing applies to defense contracts. It's very easy to approve every weapons system that's proposed to me by the Defense Department, but I think I've got a good working relationship with the Secretary of Defense to say these are no longer needed. They are very costly in the long run, and we can make substitutes for them.

I think I have the same relationship with the Corps of Engineers and with Cecil Andrus, the Secretary of the Interior. But we'll be doing it together. And I don't have the final judgment. And there is a 60-day period when these are being reassessed.

To get back to the original question: when State officials, congressional Members, and others have a chance to present your side.

Q. May I follow up on one question on that? As you reassess this, you've listed the three criteria of safety, cost/benefit, and environmental damage. Would one additional criteria be the amount of money already spent or the degree of involvement already committed to these projects? Would that be a factor?

THE PRESIDENT. It has been a factor. I would have insisted on the deletion of several of the projects had they not been so far along and had major contracts not already been completed. But I have to admit that some of the projects were well underway, and it was a matter of losing an investment of \$100 million that's already been committed, with the prospect of saving the other \$1.2 billion that hasn't yet been spent.

Q. Mr. President, could I follow on that?

THE PRESIDENT. Yes, please.

FOREIGN ARMS SALES

Q. You spoke of the arms procurement as part of one of these bullet-biting operations. There has been a good deal of controversy about American arms sales abroad to other nations. The argument has been made repeatedly by supporters of that, that it is necessary to maintain the balance of payments and maintain our defense industry. What kind of look are you taking at that \$12 billion a year annual rate of sales?

THE PRESIDENT. A hard look. Here, again, I think that if there is one person in the Government that ultimately has the responsibility to take a position and to make a decision and then explain the consequences of that decision to the American people, it's the President, not just because it's me. Somebody has got to do it. And it has to be the President.

When Cy Vance visited all the Middle Eastern countries early this month, there was one unanimous statement made by every head of state, and that was that we are spending too much of our money on weapons.

Now, it's hard for one of those countries, for instance—I'm singling out that part of the world—unilaterally to stop buying weapons. But every one of them unilaterally said they would like to stop. And I think that this puts a responsibility back on our country, the major arms supplier of the world, to try to induce Iran and Egypt and Saudi Arabia and Syria and Israel and Jordan to cut down on the quantity of arms they buy.

Now, I've also been in touch with the Soviet leaders, with the French leaders, with the German leaders, and with the British to join with us in an effort to cut down on the quantity of arms sold throughout the world. And they've responded favorably so far. We've not reached any tangible agreement, and I

can't, I don't want to claim that we have. But there is a general concern around the world that the arms sales are excessive, and I think that our country can take some unilateral action. We can take a considerable amount of action bilaterally, when we get the buyer or the purchaser of arms to agree to cut down the quantity of their orders, and on a multilateral basis, it's going to be slower to come. But I think we can get our own allies and our potential adversaries to minimize or to reduce their previous arms sales rates.

So, I feel very strongly about this. And I believe that in the long run, our own economy and the world peace will be enhanced by shifting production and expenditure of funds to other services or goods.

I'll just add one other thing: When you look at it on a job/cost ratio basis, how many jobs do you get for a million dollars spent? One of the most inefficient industries is the defense weapons industry. And I think that we need not continue with a supposition that in the long run the expenditure of the limited amount of financial resources of the whole world and of our own country is going to be increased or decreased. When you spend money for defense, you don't spend it on education or health or other services or goods. And I think the shift away from weapons toward peaceful goods and services in the long run is favorable for world peace, and also you get more jobs per dollar spent.

DRUG TRAFFICKING

Q. Mr. President, I am from the Rio Grande Valley in Texas. And there is a problem there that affects the people that live in that area, but it also affects everybody else in the country. And that's the drug problem. A day doesn't pass when there are not arrests made for the drug

smuggling, usually across the border of Mexico.

Last week, 9 tons of marijuana was confiscated. In your recent discussions with Mexican President López Portillo, did you discuss this problem?

THE PRESIDENT. Yes. Yes, we did discuss it at length. I would guess that 70 percent of our heroin comes to our country now from Mexico. And the only way we can reduce that particular influx of drugs to our country is to cooperate with the nations where it is grown. We can, by infrared photography, either we or the Mexican Government, for instance, identify the fields where the heroin poppies are grown. And by going to the farms, the Mexican soldiers go into the farms, they can destroy those poppy fields before the harvest is complete. At the same time, many of those farmers are small, poverty stricken, live in remote areas of the mountains. I think you have to be above 3,000 feet to grow heroin poppies, and alternative crops need to be provided for them.

So, we discussed this at length, President López Portillo and I did, and we agreed that with sub-Cabinet level representatives that we would explore this question further. A part of it, obviously, is trying to stop drugs as they cross the border. But that's a very, very inefficient operation. The cost is enormous. And as you know, a tiny volume of a very large quantity of heroin makes concealment very, very easy. And so, to stop the drugs where they are being produced is by far the better approach. López Portillo is also deeply concerned about this. He feels the same way I do.

I've appointed as my own representative, here in the White House, Dr. Peter Bourne, who is probably the world's foremost expert on heroin, cocaine, and marijuana—even alcohol—all the drugs that are bad. He's traveled throughout the world at the invitation of other countries.

He goes into countries that we can't even get into because we don't have diplomatic relationships with them. But because of his knowledge about the subject, they bring him in to help them with their problems. And he is heading up our drug effort in this country. And I think that with him and the equivalent leaders in the other nations, particularly Mexico, we can help a great deal in the future.

I want to say in closing, this: I wish I had more time to answer your questions. I tried to give as much time as I could to you. I don't claim to know all the answers. I'm learning. I'm studying. I'm enjoying the job. I get over here every morning at the latest by 7 o'clock. And I ordinarily go home in time for supper at 7, and then I spend 2 or 3 hours at night working and studying and reading.

It's not a laborious thing for me because I really enjoy it. In the first 6 weeks, I have shifted away from details and excessive burden of paperwork to a more long-range analysis of the questions that face our country. I study about foreign matters. I get briefings from the Cabinet Secretaries on things that are important to them. And I'm trying to prepare myself to make decisions as they come up in the future. But it's very important to us to let the American people know what's going on.

And I'm deeply grateful that you've been willing to come to Washington to meet with me and with Jody Powell and Midge Costanza, and others who work with me closely. I hope that you will feel after you go back home, that there need not be any obstacle to your direct contact to us. If you call Walt Wurfel or Jody or Rex Granum in the news section of our operation, they'll give you an answer to the question. And I really hope that you will always feel that this is your Government as well as it is mine.

I hope to get around the country every now and then, to travel. We are making good progress, I think, in foreign matters. We don't have any magic answers. It's going to be laborious and tedious and require a great deal of tenacity to solve some of the problems that have been on us so long. And when I go out of office, there will still be a lot left for the next President.

But in summary, I appreciate the confidence that the American people have placed in me and feel confident that I've got a good staff and a good Cabinet to work with me and hope that you will keep an inquisitive eye on us and a critical one when we make mistakes, but give us the credit when we have those infrequent successes of which we are proud.

Thank you very much.

NOTE: The President spoke at 4 p.m. in the Roosevelt Room at the White House.

The transcript of the question-and-answer session was released March 5.

"Ask President Carter"

Remarks During a Telephone Call-in Program on the CBS Radio Network. March 5, 1977

WALTER CRONKITE. Good day. President Carter and I are in the so-called Oval Office of the White House. We are in a couple of wing-backed chairs in front of a coffee table and in front of the fireplace. Across from us is the desk at which the President spends much of his day working; over to our left the large doors opening out into the beautiful Rose Garden of the White House, on a very nice spring-like day here in Washington.

This is a unique occasion, in the sense that it marks a new approach to communication between the President and the people of the United States. It is indeed

historic—unique, historic—and we must also say an experiment since the President has never taken part before in this sort of a broadcast.

Now, here's the way we want it to work, we hope it works. We will receive phone calls from all over the country. We expect people to ask questions on many, many subjects, of course. There will be no censorship at all, no pre-screening in that sense. However, you should know that it is not going to be easy, of course, to get through, because there have to be just a limited number of lines coming to us here at the White House.

My advice is if you get a busy signal you do like you do when you get a busy signal any time. You just hang up and try again. When you do get through, we will verify your call by name and hometown. And then I'll introduce you to the President and you may talk directly with him.

Please remember that we want to give just as many of you callers as possible an opportunity to ask President Carter your questions. Therefore, I'm going to be just a little bit ruthless here in cutting off any long-winded statements from our callers. We do want to hear from you. The President wants your opinions and so forth, but don't make a speech, will you? In other words, get to your question right away. Ask it just as clearly and directly as possible, and just as in Presidential news conferences, you will have an opportunity for a followup question if you think that it's necessary.

Mr. President, we are very pleased that you've accepted our CBS News invitation and are giving us this time to let the Nation "Ask President Carter."

THE PRESIDENT. Thank you, Walter.

I'm glad to have a chance to let people have direct access to me, and in the process of answering 50 to 100 questions this afternoon in an unrehearsed way, not

knowing what's going to come next, I think the people will learn something and I know I will learn a lot about what is of interest to them. Also, I believe that if there are tens of thousands of folks who want to get through and can't do it, in listening to the other questions that are asked, they are likely to get an answer to their questions. I am looking forward to the 2 hours. And whenever you are ready, I am.

MR. CRONKITE. All right, Mr. President, we're ready here, and I think that Joseph Willman of Sterling Heights, Michigan, is ready out there in Sterling Heights with the first question. Go ahead, Mr. Willman.

UGANDA

MR. WILLMAN. First of all, I'd like to say good afternoon to President Carter and Mr. Cronkite. My question right now is, according to the UPI story in today's Detroit News, Idi Amin has sent squads that have killed 7,000 Christians. With this and other happenings there, how can we with good conscience trust a man with such an ego—[*inaudible*—and if the time arises will we use force to get them out, even though confrontation with this country is expected by Amin?

THE PRESIDENT. Well, it's hard to know how to answer that question about future events. As you know, we had what was on the border of a crisis last weekend. The attitude that we took was constantly to monitor what is going on in Uganda, to deal directly with Amin in a very forceful way, to let him know that we were expecting American lives to be protected.

We also got the help of several national leaders who are quite close to Amin. Primarily those are of the Moslem faith, and they contacted him directly.

We also got the Federal Republic of Germany, West Germany, who has diplo-

matic leaders in Uganda, in Entebbe, Uganda, to contact Amin.

And he was constantly giving me assurance through cables that the Americans would not be hurt. As you know, the outcome of that weekend's tension was that he eventually said that the meeting with the Americans was called off, and that anyone who wanted to leave or come into Uganda from our country would be permitted to do so.

I think that it's obvious that we'll do whatever we can to protect American lives throughout the world. We have in the past, before I became President, informed the American people in Uganda—and I might say in several other countries around the world—that there was a potentially dangerous circumstance for them and that if they were primarily concerned with a peaceful life, they ought to change countries.

We do know that most of the persons who are Americans in Uganda are missionaries, deeply committed to their own religious faith. They've got an option to leave and they've decided to stay. So, I think at this time I feel that the American lives there will be protected.

We did act, I think, forcefully and effectively with Amin; we had a lot of help from other nations. And I can't say what I will do in the future except to try to handle the situation similarly to what I did last weekend.

MR. CRONKITE. All right, let's take our next caller. It's Pete Belloni of Denver, Colorado.

MR. BELLONI. Good afternoon, Mr. President.

THE PRESIDENT. Good afternoon.

MR. BELLONI. How are you?

THE PRESIDENT. Fine.

GASOLINE TAX

MR. BELLONI. Good. Mr. President, your proposal of increasing the gasoline

tax by 25 cents a gallon, won't that put quite a burden on the people of this country who are already financially strapped with higher taxes and fuel bills?

THE PRESIDENT. Well, Mr. Belloni, I've never proposed any such thing and don't know where the story originated.

MR. BELLONI. It was in the paper last week, the Rocky Mountain News.

THE PRESIDENT. I don't believe the story was attributed to me in any way, because I've never commented on that at all and have never even insinuated to anyone that I was going to raise the gasoline tax by 25 cents.

MR. BELLONI. Have you heard about it, though?

THE PRESIDENT. I had one news question about it and responded the same way I am to you, that I don't know anything about the proposal and have no intention of doing it. I might say that on April 20 I will—if plans go the way we have them now—make a speech to the Joint Session of the Congress, probably in the evening, and explain for the first time in our country what our comprehensive energy policy is. We don't have one at this moment. And we've been working on it ever since—even before I became President. So, April 20 we will try to spell out an approach to the energy problem that will involve all aspects of it—oil, coal, solar energy, obviously nuclear power, hydroelectric, pricing, mandatory efficiency, conservation, voluntary and so forth. This may or may not involve any changes in the price structure, but I certainly have not considered and have no intention of any such increases you've talked about this afternoon.

MR. BELLONI. Yes, sir, Mr. President. Whoever brought out the story—do they know who did it or anything or how it leaked out or anything?

THE PRESIDENT. Well, it didn't leak anywhere from the White House because

that's not a decision that has been made in the White House.

MR. BELLONI. I see. Well, thank you very much, Mr. President. It's been an honor.

THE PRESIDENT. Thank you, Pete. I've enjoyed talking to you.

MR. CRONKITE. Thank you, Mr. Belloni.

The next question, Mr. President, is from Mark Fendrick of Brooklyn, New York. Mr. Fendrick, go ahead.

RELATIONS WITH CUBA

MR. FENDRICK. Good afternoon, Mr. President. What I'd like to ask is in relationship to the attempts for returning to a normal relationship with Cuba. Now in the paper the last couple of days here in New York there's been talk about the Yankees baseball team going to Cuba.

Do you think that this is a possibility in the near future, and do you think that normal relations to Cuba are possible with, again in the near future?

THE PRESIDENT. Well, there are varying degrees of relationships with Cuba. As you know, we have had some discussions with them in the past; for instance, on the antihijacking agreement which expires this spring. And we now have no visitation rights by American citizens to go to Vietnam, to North Korea, to Cuba, and one or two other nations.

We do have a procedure already in effect whereby a limited number of Americans can go into Cuba without using a passport because of a prior agreement with the Cuban Government.

I would like to do what I can to ease tensions with Cuba. It's only 90 miles, as you know, from the Florida coast. And I don't know yet what we will do. Before any full normalization of relationships can take place, though, Cuba would have to make some fairly substantial

changes in their attitude. I would like to insist, for instance, that they not interfere in the internal affairs of countries in this hemisphere, and that they decrease their military involvement in Africa, and that they reinforce a commitment to human rights by releasing political prisoners that have been in jail now in Cuba for 17 or 18 years, things of that kind.

But I think before we can reach that point we'll have to have discussions with them. And I do intend to see discussions initiated with Cuba quite early on re-establishing the antihijacking agreement, arriving at a fishing agreement between us and Cuba, since our 200-mile limits do overlap between Florida and Cuba, and I would not be averse in the future to seeing our visitation rights permitted as well.

MR. FENDRICK. In relationship, though, to the Yankees playing an exhibition game there, I've noticed that Secretary Vance has backed this idea. Do you think that that's a possibility this season?

THE PRESIDENT. It's a possibility, yes.

MR. FENDRICK. Okay. Thank you, Mr. President.

MR. CRONKITE. Mr. President, may I ask, it seemed that Secretary Vance indicated just the last day or so that there would be no preconditions in discussions with Cuba. Are you now saying that there will be?

THE PRESIDENT. No. The preconditions that I describe would be prior to full normalization of relationships, the establishment of embassies in both our countries, the complete freedom of trade between the two countries.

But you couldn't possibly arrive at a solution to some of those questions without discussions. So, we will begin discussions with Cuba if they approve the idea fairly shortly on the items that I have described—increased visitation of Ameri-

cans to and from Cuba, the fishing rights question that has to be resolved for the protection of our own fishermen, and also the antihijacking agreement which has been in effect in the past, but is about to expire.

MR. CRONKITE. This is "Ask President Carter" on the CBS Radio Network. Now to call the President here in the Oval Office in Washington, let us remind you of the telephone number again. It's 900-242-1611. 900-242-1611.

The next call, Mr. President, is from Miss Cheryl Clark of Paris, Kentucky. Miss Clark?

MISS CLARK. Mr. President, Miss Clark, a student at the University of Kentucky.

THE PRESIDENT. Yes?

EMPLOYMENT

MISS CLARK. Let me ask, do you consider it possible for government to create jobs similar to the WPA and the CCC in the Depression years in order to reduce unemployment, or do you want the Humphrey-Hawkins bill?

THE PRESIDENT. Well, the first major proposal that I made to the Congress, which was worked out with the congressional leaders even before I was inaugurated, was to put the American people back to work or to start that process. I think this is one of the primary responsibilities that I have as President.

We've asked for a so-called stimulation package to our economy over the next 2 years—this one and next year—of about \$31 billion, a major portion of which is either reducing people's taxes or providing direct jobs. The jobs can be provided in a number of ways, including the one that you described for young people, similar to the CCC program we had during the Depression years back in the thirties.

In addition to that, we have approved, as far as my administration is concerned, a substantial amount of money for public works projects; that is, to build libraries, schools, and other facilities in communities and let the Federal Government help to pay for it. This work would be done by those who are employed by private contractors, and the same thing would apply in the insulation of homes, in building recreation areas, and employment in local and State government, perhaps in mental institutions, health programs, teachers' aides, also in the training of, primarily, young people to hold a full-time job in the private sector. And the total cost of this, as I said, is about \$31 billion.

I think this is the best approach to it.

The Humphrey-Hawkins bill is pretty much a philosophical kind of expression of our Government's commitment to full employment. The Humphrey-Hawkins bill has been constantly modified. It's never gotten out of committee, either in the House or Senate. And I think some of the things that we propose this year are a substitute for some of the provisions of the Humphrey-Hawkins bill.

I do feel, in closing, that most of the job opportunities ought to be generated permanently and in the private sector of our free enterprise system, and not in Government itself. And that would be the result, I hope, of this 2-year effort to stimulate an economy which is very dormant now and where the employment rate and the inflation rate is excessively high.

MISS CLARK. Okay. Thank you very much, Mr. President,—

THE PRESIDENT. Thank you, Cheryl.

MISS CLARK.—for public confidence in Government interests.

THE PRESIDENT. Thank you.

MISS CLARK. Goodby.

THE PRESIDENT. Bye.

MR. CRONKITE. The next call, Mr. President, is from Nick Kniska of Lanham, Maryland.

MR. KNISKA. Mr. President.

THE PRESIDENT. Yes.

CHIP CARTER

MR. KNISKA. My question for you is that I would like to know why your son Chip and your daughter-in-law and your grandson are living in the White House on taxpayers' money and why he is not out in his own house earning a living instead of living off the taxpayers?

THE PRESIDENT. Well, I think you might want to know that all of the personal expenses of our family are paid for out of my own pocket or the pocket of my children.

MR. KNISKA. Okay.

THE PRESIDENT. Our food is kept separate. We pay for all of it, all of our clothes and so forth are paid for out of our own pocket. Chip is a hard working young man and he's a great help to me. Most of my first year in office will be spent fairly close to the White House, and when we have a special problem anywhere in the Nation, and I want the people there to know how deeply concerned I am about it, I would like to have the opportunity to use members of my family to go and represent me personally, along with professionals who serve in the Government.

I will give you one quick example that involves Chip directly. When we had a very serious problem in Buffalo because of excessive snowfall, I asked Chip to go up there to speak for me, and he's a very knowledgeable young man. And he also let the Buffalo people know that I personally cared about them. I couldn't take a full day off and go and spend a day in Buffalo, but Chip could.

So, I think this is a good approach. But I want you and the American people to know that we are not mooching off the American taxpayers. All of our family's expenses are paid for out of my own pocket.

MR. KNISKA. Okay, and a quick follow-up.

THE PRESIDENT. Sure.

MR. KNISKA. Last week or so you had your grandson born in the Naval hospital.

THE PRESIDENT. Yes.

MR. KNISKA. Is he entitled to special military benefits or government benefits also?

THE PRESIDENT. No, sir.

MR. KNISKA. Okay, then why were they using a military hospital?

THE PRESIDENT. The Bethesda Hospital is available for all top officials and their families.

MR. KNISKA. Yes, because we're a military family, too.

THE PRESIDENT. Very good. And I was an old military man myself. But we have health insurance and we pay the routine charges for the hospital expenses.

I might say, though, that in complete honesty with you that there is a physician who is attached to the White House and who always has been. He follows me when I go somewhere in case I get hurt or have a heart attack or something. And his services are available to the members of my family as well.

MR. KNISKA. Okay. So, in other words, that's where he sent them.

THE PRESIDENT. That's correct. He's not an obstetrician, but he is available in case I or any of my family members, or even guests in the White House who get ill during the night—he's available to take care of them. That's done at public expense.

MR. KNISKA. Okay. Thank you very much, Mr. President.

THE PRESIDENT. Goodby, Nick.

MR. CRONKITE. Mrs. Esther Thomas of Villanova, Pennsylvania, Mr. President, is on the phone. Go ahead, Mrs. Thomas.

MRS. THOMAS. Thank you.

INCOME TAX REFORM

Good afternoon, Mr. President. First, I'd like to say as a mother of an American officer in the United States Army, a career officer, I hope you go into history books as the first Democratic President that did not solve our Nation's financial and unemployment problems by going to war.

Now for my question. How can we, as middle-class earners, expect legislation or reforms that would remove tax loopholes the rich or affluent use as deductions, when all laws and legislation are made by the rich? There are no poor people, no poor or no lower-class wage earners in either the House or the Senate.

THE PRESIDENT. Well, Mrs. Thomas, I think, you may have noticed during the campaign that I made an issue of this almost constantly, and in my acceptance speech, at the Democratic Convention, said that I thought the income tax system of this country was a disgrace.

MRS. THOMAS. Yes.

THE PRESIDENT. I haven't changed my opinion about that, and I have initiated a comprehensive analysis of the income tax structure. And before the end of September we will propose to the American people and the Congress, in a highly publicized way, basic reforms in income tax structure. In the stimulation package that I mentioned earlier this afternoon, we have one provision in there that helps people like yourselves. It increases the personal exemption for a family up to \$3,000, and this is a permanent change and also greatly simplifies the income tax forms which, as you noticed for 1976 calendar year that you are filling out now, are very complicated.

MRS. THOMAS. And how.

THE PRESIDENT. Now this average for a family, for instance, that makes \$10,000 a year, this tax reduction or refund will amount to about 30 percent of the taxes paid, and the permanent reduction that will be in effect from now on will amount to about 20-percent tax reduction for that \$10,000-a-year family.

We anticipate in September eliminating a great number of the loopholes that do benefit the rich and the powerful, and any of those savings that are derived from that will be passed along to the low- and middle-income families like, perhaps, yourself.

MRS. THOMAS. Thank you. And may I say, as a registered Republican, I'm behind you 100 percent. And I'm sure there are a lot of us out here.

THE PRESIDENT. Thank you, ma'am. I really appreciate that.

MRS. THOMAS. Thank you. Bye-bye.

MR. CRONKITE. What about Mrs. Thomas' question about the Congress being loaded in the upper-middle classes and upper classes and not enough representation from the lower classes. Do you think that's true?

THE PRESIDENT. Well, I think once a Congressman gets in office now, with a fairly substantial salary, they are obviously in the upper class. So is a President, by the way. I guess, so is an anchorman for CBS.

But I think that to the extent that Government officials like myself and the Members of Congress make an extra effort to stay in touch with people, to let folks like Mrs. Thomas ask us questions and to scrutinize who pays the bills for my family within the White House and so forth, that's a good way to restore confidence in us. Also, I believe that the campaigns which come every 2 years for the Members of Congress keep them in touch with poor or working people. I know my own campaign for the last 2 years, joined by

my wife and all my sons and their wives, my mother quite often, and my sister and my aunt, we learned a lot about people in other parts of the country outside of Georgia during the 2-year period. So, the campaign process, as part of our constitutional system, I believe, is a good guarantee that, to a substantial degree, public officials stay in touch with folks back home.

Now, the problem is, Walter, in a case like income tax, over a period of years the laws change. And the ones who demand the changes are those who are powerful and who are influential and who can hire lobbyists, or who can pay for their own private lawyer and who can form a cohesive approach to Congress and put tremendous pressure on the Congress to meet a permanent or a transient, temporary need. Once a need is passed, that special privilege in the law stays there.

The average American family with \$10,000, \$15,000, sometimes \$25,000 a year, has no organization. They don't have any lobbyists. And the only way for them to understand what goes on in a very complicated income tax law is for somebody like the President to take the initiative and present to the American people, in a comprehensive way, all at once, these are the things that are unfair, these are the things that can be changed to make it fair, so that the American people can be marshaled to exert their influence and their interest in the tax laws.

A person who has a special privilege, they focus their attention and their influence on that one tiny part of the law, and the average American has no idea what's going on. But if I can get the whole American tax-paying body, toward the end of September, to join with me and to demand from the Congress that we make the laws simple and fair, then in that instance, I think, we can overcome this deterioration which, in my opinion, has

taken place ever since 1913 or whenever it was that the income tax laws went into effect.

And that's why I am so interested in having the American people not only believe that I am acting for them but let them understand what's going on. That's the reason for this radio broadcast.

MR. CRONKITE. The next caller who is on the line, Mr. President, is Mrs. Harlan Schnuhl of Brandon, Wisconsin. Go ahead, Mrs. Schnuhl.

MRS. SCHNUHL. Good afternoon, Mr. President.

THE PRESIDENT. Good afternoon.

FARM ECONOMY

MRS. SCHNUHL. I would like to compliment you on giving the opportunity to the American people to participate in this question-and-answer period.

As a wife of a dairy farmer, my question relates to a problem concerning many such farmers. What can be done about improving the public relations between the consuming public and the U.S. ag department in regard to the price increases for farm commodities at our farm level and the explanation to the public that we as farmers receive a small amount of these widely acclaimed increases?

THE PRESIDENT. I have got two quick suggestions. One is to put a farmer in the White House as President, and another one is to put an actual dirt farmer in the Department of Agriculture as Secretary. And we've already done those two things.

Also, I think the next step is to let the American public know the truth about agriculture and the farm and ranch families of our Nation. I think that the interest of consumers and the interest of the average farm family are exactly the same.

I have studied the Wisconsin dairy farm industry quite at length myself during the Wisconsin primary last year. The

average Wisconsin dairy family only makes about \$7,000 a year, and that is with all the members of the family working on the farm—maybe three, four, or more adults.

There is an average investment in the Wisconsin dairy farm of about \$180,000. So, if the farmer sold and the money was put in a savings account at 5-percent interest, the Wisconsin dairy family would have an income of \$9,000 a year just from interest, which is \$2,000 more than they get from working full time on the dairy farm.

MRS. SCHNUHL. Correct.

THE PRESIDENT. And if the American consumers who drink milk and who eat cheese and other dairy products know for a fact that the farmers are not making excessive profits, that they work very hard 7 days a week, and that the return on their investment is extremely low, like 3 or 4 percent, I think they would appreciate what the farmers do.

And I think a stable farm economy where the prices of milk are at least equal to production costs would guarantee that you don't have the wild fluctuations up and down and milk and wheat and cotton and beef and poultry and pork. Because when the prices fluctuate wildly because the market is uncontrolled, when they go up, the consumers pay the high price; the farmers have already sold their products to a middleman. And when the prices go down for the farmer, for the consumer they stay up.

So, what we are trying to do is to have a stable farm economy with predictable production as well as the weather will let us, with prices that don't fluctuate wildly, and with the truth being told to the consumers that what's best for them is almost always what's best for the average farm or ranch family.

So, I think we are making some progress in that.

I might close my answer by saying that in 1977, this year, there will be a comprehensive farm bill either passed or extended from the past number of years. So, we'll be addressing this on a full-time basis.

And Bob Bergland, who is a dirt farmer from the northern part of Minnesota and now the Secretary of Agriculture, I think, will have a much better way to understand both farmers and consumers than has been done in the past.

MRS. SCHNUHL. Well, thank you so much for your comments.

THE PRESIDENT. Thank you, Mrs. Schnuhl.

MRS. SCHNUHL. Goodby.

THE PRESIDENT. Bye.

MR. CRONKITE. On the phone is Ms. Rita Karatjas of Joliet, Illinois. Ms. Karatjas, come ahead, please.

MS. KARATJAS. Good afternoon, President Carter.

THE PRESIDENT. Good afternoon.

TAX REFORM

MS. KARATJAS. I would like to know if you intend to remove the tax from savings account interest and stock dividends. I believe we're one of the only countries in the world that tax unearned income.

And I feel that as income is already taxed at the payroll level, I feel it's very unfair that it's taxed again after it's invested or saved.

THE PRESIDENT. Ms. Karatjas, I can't answer that question yet. I am not trying to avoid your question. I just don't know the answer.

MS. KARATJAS. I see.

THE PRESIDENT. That's one of the things that we will be considering, along with hundreds and hundreds of others in the comprehensive tax reform study that will be going on this year. So, I am re-

luctant now to single out one particular part of the tax code and say it will not be changed, even though it might very well stay the same. I just can't answer your question now.

MS. KARATJAS. I see.

THE PRESIDENT. I'm sorry.

MS. KARATJAS. Thank you.

MR. CRONKITE. The next questioner, Ronald Fouse, Centerville, Georgia. Mr. President, Mr. Fouse.

MR. FOUSE. Good afternoon, Mr. President.

THE PRESIDENT. Good afternoon, Mr. Fouse. I came through Centerville the last time I was home.

MR. FOUSE. Yes. You come through the Air Force Base I work at every time you come down.

THE PRESIDENT. Very fine. Go ahead with your question.

VIETNAM ERA VETERANS

MR. FOUSE. Yes, sir. Now that you pardoned the draft evaders and you propose to pardon the junkies and deserters, do you propose to do anything for the veterans such as myself that served the country with loyalty?

THE PRESIDENT. Well, I thought I might get a friendlier question from Georgia, but I'll try to answer your question.

I don't intend to pardon any more people from the Vietnam era. I promised the American people when I was running for office that I would pardon the ones who violated the selective service laws. I don't have any apology to make about it, and think I made the right decision. But the deserters and others who have committed crimes against military law or civilian law will not be pardoned by me on any sort of blanket basis. My preference is to let the Defense Department

handle those cases by categories or by individual cases.

We have moved, I think, already to help, as you said, loyal and patriotic veterans like yourself. And I have appointed a very fine young man to head up the Veterans Administration now, Max Cleland, who is a veteran of the Vietnam war. This is kind of a new generation of leadership, and within the economic package that I presented to Congress, we have a heavy emphasis on training and job opportunities for veterans.

So, I hope in the future that we can have a restoration in our country of appreciation for veterans who did go to the Vietnam war, who have not been thanked or appreciated enough in the past, and a much more sensitive Veterans Administration toward the Vietnam veterans who have not had as many benefits as veterans of previous wars that were more popular.

But I don't have any apology to make for what I have done, but you need not be concerned about an extension of pardons on a blanket basis in the future from me.

MR. FOUSE. Okay, sir. Thank you very much.

THE PRESIDENT. Thank you.

MR. CRONKITE. Mr. President, there seems to be increasing talk of a bonus for Vietnam veterans. Is that in your thinking at all?

THE PRESIDENT. No, sir.

MR. CRONKITE. The next call is from Mrs. Richard Nicholson of Forth Worth, Texas. Mr. President, Mrs. Nicholson.

EQUAL RIGHTS AMENDMENT

MRS. NICHOLSON. Mr. President, I appreciate this opportunity to talk to you. I feel that you are violating the States' rights when you call into the different States and lobby for the ERA. I was wondering, don't you think that this should be

left up to the individual State legislators and let them decide without interference from high political officers?

THE PRESIDENT. Okay. Well, I think you probably have noticed that the final decision is with the State legislatures, and although I have made a few telephone calls since I've been in office and have talked to some personally and to some Governors about the passage of ERA, I haven't tried to interfere or put pressure on them.

When I ran for President, I made it clear that I was in favor of the equal rights amendment passing, and still am in favor of it and hope it does pass. But I respect very well and very consistently the right of individual State legislators to vote the way they choose. But I think it's good to point out to the legislators individually and to the people of the country, as I am doing at this moment, that we do need to give women equal rights. They've been cheated too long. They don't have equal pay for equal jobs, and I think that this equal rights amendment, which is very simple and very clear, would be a good thing for our country.

So, I don't have any way to make a legislator vote against his or her wishes, don't want any influence on them, but reserve the right to express my opinion just like you have a right to express yours.

MRS. NICHOLSON. Except that I don't have the power to make or break someone that you do.

THE PRESIDENT. I don't have that power either, Mrs. Nicholson.

MRS. NICHOLSON. Okay. Now, about the ERA, nowhere does it mention anything about women's rights. And there is the equal pay opportunity which is already a law that is being used. So how can the ERA help in these two areas?

THE PRESIDENT. I think the equal rights amendment just simply says that the Congress nor any State are not permitted

to discriminate against women. And I would presume that you would agree with that statement, but apparently you don't.

MRS. NICHOLSON. Well, certainly I do.

MR. CRONKITE. Well, thank you very much—

THE PRESIDENT. I think that's all. Thank you, ma'am.

MRS. NICHOLSON. Thank you.

MR. CRONKITE. Let's do move on. We want to get as many questioners in as possible today.

Mike McGrath of Warsaw, Indiana, has won the lottery to get on the air here. Mr. McGrath, go ahead with your question to President Carter.

MR. McGRATH. Yes, sir, Mr. President, sir, are you there?

THE PRESIDENT. Yes, sir. Go right ahead, Mike.

INCOME TAX REBATE

MR. McGRATH. Okay. There is a little quotation there—I was awfully proud to serve in the Vietnam war there. I was aboard the U.S.S. *Constellation* there in North Vietnam, there.

THE PRESIDENT. Yes.

MR. McGRATH. But at any rate, is that there tax rebate supposed to be for \$50 or what?

THE PRESIDENT. I think it'll be more than \$50 for some people, Mike, depending on what your income is.

MR. McGRATH. Oh.

THE PRESIDENT. The ones that make above \$25 or \$30,000 a year don't get any rebate, according to the latest action of the Congress. And that means that a little bit more would be available to those at the lower levels of income.

In addition to that, there's a special provision for allocation of funds to veterans like yourself.

And in addition, we have a tax reduction that's permanent, by giving a higher

personal exemption of \$3,000 for a married couple. I think the latest version is \$2,400 for a single person. So, you'll get about an equivalent of a 30-percent reduction in your income taxes for 1976 if you are at the \$10,000 or so level.

MR. McGRATH. Mine might be a little lower than that.

THE PRESIDENT. If you have a real high income, like you seem to have, you might get a little bit lower. But it won't be lower than \$50 in the tax rebate unless you are well above the \$25,000 level. And in addition, as I said, you'll get the permanent reduction in your income taxes brought about by the higher personal exemption. That'll stay on the books even after the stimulation package has gone.

MR. McGRATH. Oh, okay.

THE PRESIDENT. Pretty good deal for you, I think.

GI BILL

MR. McGRATH. I think so.

Another thing, though, was somebody told me at the factory where I work at, the Peabody American Brands plant, somebody told me that there GI bill was supposed to have been reactivated or something. Is there anything to that at all?

THE PRESIDENT. Mike, I don't know about the latest version of that. But if you'll listen in on the radio program for the next 10 or 15 minutes, I'll get the answer for you and give it to you in a few minutes.

MR. McGRATH. That is fine. Thank you, Mr. President.

THE PRESIDENT. Thank you, Mike.

MR. CRONKITE. I might note that the President has a plan for just that. If he doesn't have the answer here, he's got a couple of aides standing by to see if they can get them. It is Saturday afternoon. A lot of Government offices are closed, but he's going to do the best he can to get them for you.

THE PRESIDENT. I might say, Walter, that if I can't find the answer before we go off the air, I will call Mike personally and give him the answer, if I can.

MR. CRONKITE. Let's remind all of our listeners out there the toll-free number to reach the President here at the White House is 900-242-1611. 900-242-1611.

Now, Mr. President, we have a young man, 13 years old, I'm told, from Ridgecrest, California, John Herold, who has a question for you. John, go ahead.

MR. HEROLD. Good afternoon, Mr. President:

THE PRESIDENT. Good afternoon, John. How are things in California?

MR. HEROLD. Fine.

THE PRESIDENT. Good deal. What's your question?

WESTERN DROUGHT

MR. HEROLD. Since the West is having a drought and the East has too much snow, instead of shipping the snow in boxcars to the South, why not ship it West?

THE PRESIDENT. Well, we're not shipping snow south in boxcars. I think somebody made a study of that, John, and found that it would be too expensive to try to ship snow to the West.

We are very concerned about your drought, and I am not sure how far north Ridgecrest is, but I know that there is an appeal by your Governor not to waste water.

And I believe that in the future, along with energy conservation, we're going to have to start worrying about water conservation.

We've had too much snow in the East. Most of it has melted already, so we don't have any snow to ship, even if it wasn't very expensive.

That's a good thought, though, and it was investigated quite thoroughly, I think, a couple of weeks ago when Buffalo, for

instance, had accumulated about 4 or 5 feet of snow.

Good luck to you, John, and thanks for calling in.

MR. HEROLD. Thank-you.

MR. CRONKITE. The next call is from Mrs. Helen Heller of Vineland, New Jersey.

MRS. HELLER. Good afternoon, Mr. President.

THE PRESIDENT. Good afternoon, Mrs. Heller.

MEDICARE; HEALTH CARE COSTS

MRS. HELLER. Thank you for this opportunity to talk to you.

My question concerns the medicare program. Does HEW have any plan to reevaluate this program with the possibility of extending benefits to senior citizens so as to reimburse them for things like needed dental care, eyeglasses, and/or medications? The cost of these items are so often beyond our fixed social security income, and yet they're vital necessities to us.

THE PRESIDENT. Yes, ma'am. Those things are all under consideration. We are now in the process of reorganizing the internal structure of the Department of Health, Education, and Welfare, so that we can put the financing of health care under one administrator. This will help a great deal to cut down on the cost of those items for people like yourself. Also, we are freezing the amount of money that you have to pay for medicare this coming year, although the price of health care has gone up about 15 percent a year the last few years. We are trying to prevent your monthly payments from going up for this coming year.

MRS. HELLER. That is good.

THE PRESIDENT. Additionally, we have introduced into the Congress a bill that would hold down hospital costs and try

to prevent health care costs from going up faster than other parts of our economy. There's been a great deal of maladministration or poor administration of the health costs.

I hope that over a period of years—and it's not going to come easily—that we can have a comprehensive health care plan in our country. It will be very expensive, but the first step has got to be to bring some order out of chaos in the administration of the health problems we have already got, and to help poorer people like, perhaps, yourself—I don't know what your income is—be able to prevent rapidly increasing costs of programs like medicare.

So, we are at least freezing your medicare costs, if the Congress goes along with our proposal, and over a period of years we'll try to expand the coverage of the health care services for all citizens like you.

MRS. HELLER. Well, thank you very much, Mr. President.

THE PRESIDENT. Thank you, ma'am.

MR. CRONKITE. The next caller is Miss Phyllis Dupere of Rehoboth, Massachusetts. Miss Dupere, the President is on the line.

MISS DUPERE. Hello, Mr. President.

THE PRESIDENT. Good afternoon, Phyllis.

SPACE SHUTTLE PROGRAM

MISS DUPERE. I'm a recent graduate from college and I majored in science. And my question is about the space shuttle program. If you had the opportunity to go on one of the missions, would you go, and why or why not?

MR. CRONKITE. You are talking about a space mission, Miss Dupere?

MISS DUPERE. The shuttle program.

THE PRESIDENT. Oh, I see. Miss Dupere, I'm probably too old to do that. I don't know if I could start now and train

and get ready to go. When I was a younger person I was always very eager to do the most advanced and sometimes quite dangerous things. As soon as our country had the idea of having atomic power to propel submarines, I was one of the first ones to volunteer and was one of the very earliest submarine officers to go into the atomic power program. And I am thinking about, in the next few weeks, going with Admiral Rickover out on one of our atomic submarines to ride on that as a President, as part of my duty to learn about things of that kind.

But I can't tell you that I'm ready to go on the space shuttle. I think I just don't have the time to get ready for it. I might say that my sons would like very much to do it. But not me.

MISS DUPERE. You think your daughter would?

THE PRESIDENT. I think perhaps she would, yes. She is a very innovative young lady and is always trying for new things, and I think she's competent to be a pilot in a space shuttle in the future or to be a Member of Congress or even to be President. Yes, ma'am.

MISS DUPERE. Okay, thank you. Good-by.

MR. CRONKITE. You know, Mr. President, with that shirtsleeve environment, so-called, with the shuttle, they're holding out a little hope that some of us fellows may get a chance to go along.

THE PRESIDENT. I'm interested in that program, by the way. I think that it's going to be a much cheaper means by which we can perform our very valuable flights in space and still return the costly vehicle back to Earth. I'm very interested in that.

MR. CRONKITE. It's going to mean the utilization of space. We are getting past the exploration stage, I think, now.

THE PRESIDENT. It is. We are using it now. I think, as you probably know, with the space satellite photography we not

only guarantee the security of our country but we do a great deal of analysis for crop conditions, topographical mapping to see how far it is between certain places, highway planning. And this is a good way, too, by the way, from either a high-flying airplane or space to analyze waste of energy to see where we are not insulating adequately, and so forth.

So, for all those reasons, even things that are very common, like growing crops or mining or building highways or cutting down on heat losses, we are already using space vehicles for those purposes.

MR. CRONKITE. The next telephone call is from Ms. Susan Allen of Cheyenne, Wyoming, Mr. President.

MS. ALLEN. Yes, Mr. President?

THE PRESIDENT. Yes, Susan.

PRESIDENTIAL RETREATS; SOLAR HEAT

MS. ALLEN. Okay. My question is, when you're President, do you ever get overwhelmed with your duties and just feel like getting away from it all, and if so, do you have a place to go, you know, when you get away from your duties?

THE PRESIDENT. Well, yes, I do, Susan. I felt the same way when I was Governor, and I felt the same way when I was a candidate, and I felt the same way on occasion when I was a farmer or when I was in the submarine program.

I might say that I've enjoyed this first 6 weeks of being President. I have a very good staff to help me, and the working conditions are good. My house is close to my office. And I've got a good Cabinet. So far, the American people have been very supportive. I think most people in the country want me to do a good job. And that helps me a lot.

I do have a place to get away. We have been down to Georgia on one occasion

since I've been in the White House. And while down there, my wife and I were able to go out in the woods and in the fields. I like to hunt arrowheads. And she and I walked for hours in the open fields looking for arrowheads, just as a hobby. We have a chance to hold hands and talk to each other about things, all alone.

MS. ALLEN. Yeah.

THE PRESIDENT. And we have been to Camp David once. It's a beautiful place in the Catoctin Mountains, about an hour and a half away from here by automobile. It's a camp that President Roosevelt used when he was President. And it's available to Presidents and some of the Cabinet members as well. We have been there on one occasion. So, we have a chance to get away.

And I might add in closing that the White House living quarters on the second and third floors, where I and my family live, is quite private. We've enjoyed living there very much.

MS. ALLEN. Yeah. Are you in favor of solar heating?

THE PRESIDENT. Yes, I am. I think this is an area where we need to expand our research and development programs, and I think that in years to come you're going to see, in my administration and from Presidents who come after me, a very heavy emphasis on the use of solar power.

MS. ALLEN. Yeah. We have a solar house.

THE PRESIDENT. Oh, do you? How's it work?

MS. ALLEN. It's worked pretty good so far, but Buffalo and all those places got a lot of snow. So, we don't really have a chance to really check it out in a really big blizzard, but it's been working really good.

THE PRESIDENT. Very good.

MR. CRONKITE. Thank you very much, Ms. Allen, for calling.

THE PRESIDENT. Hi, Bob.

MR. MITCHELL. How are you?

THE PRESIDENT. Fine.

PRESIDENT'S SCHEDULE

Mr. President, are you finding the work at the White House more or less burdensome than you expected?

THE PRESIDENT. Well, it's about the same as I expected, Walter. I've enjoyed it so much so far. It's such an exciting job. I spend about half the time being a student. I put in an enormous amount of time, and it's pleasant—I am not complaining—learning about security matters and defense matters and studying the Congress and how it operates and learning about foreign affairs.

I've a big globe in my office next to my chair, and when I get a dispatch from a foreign country or when I have a visitor from a foreign country, like Gabon in the equatorial region of Africa, or Mexico, or Canada—Mr. Rabin is coming over here from Israel on Monday, and later all the leaders are coming in from the Middle East, later Mr. Fukuda from Japan, and the Prime Minister of Great Britain is coming soon.

I study about those countries and get ready for their visit. It takes me a lot of time. But I would say that the number of hours that I put in and the difficulty of the job is about the same as it was when I was Governor of Georgia, but in addition, it's more interesting because you have the foreign affairs questions to address.

MR. CRONKITE. Your next caller, Mr. President, is Bob Mitchell of Philadelphia. Mr. Mitchell?

MR. MITCHELL. Good afternoon, Mr. President.

FRANKFORD ARSENAL

MR. MITCHELL. I would like to say that this is truly an honor to be speaking to you on this historical occasion.

I live in Drexel Hill, Pennsylvania, but I work at the Living History Center in Philadelphia which I am calling you from today.

While visiting Philadelphia just before Election Day, Mr. Mondale pledged to keep the Frankford Arsenal open. The arsenal employs many people in this area and is an important part of our defense system. How can you justify the Army's insistence on closing down this institution, which is both a national necessity and a necessity to this area, which is already overburdened by the economic depression?

THE PRESIDENT. Bob, I might say that if there's one question that the Vice President has talked to me more about than any other thing since I've been in the White House it has been the Frankford Arsenal. And he and I have a deep, personal interest in the Frankford Arsenal.

Under the previous administration the decision had already been made final to close down Frankford, and we are reassessing the possibility of keeping it open, at least in some form. If it is a final decision by the Defense Department that the arsenal be closed, I will do everything I can to honor the Vice President's commitment and to try to orient some other kind of Federal project into the Frankford Arsenal area so that the people will not suffer any more than necessary economically.

But we're doing the best we can on that. The closing down had gone so far

when I became President it's almost impossible to reverse it. But we are aware of your problem and we'll just have to do what I think is best for the country, and at the same time try to honor the promise that the Vice President made to do the best he can to keep it open.

MR. MITCHELL. Okay. Well, thank you, Mr. President.

THE PRESIDENT. Thank you, Bob.

MR. CRONKITE. Mrs. Phyllis Rogers of Albuquerque, New Mexico, is on the phone, Mr. President. Mrs. Rogers?

MRS. ROGERS. Good afternoon, President Carter.

THE PRESIDENT. Good afternoon, Mrs. Rogers.

MRS. ROGERS. Thank you again for the invitation to the Inauguration.

THE PRESIDENT. Did you come?

DRUG ADVERTISING; SOLAR ENERGY

MRS. ROGERS. Two questions: Would it be possible to eliminate the word "drug" from drug store advertising? Also, when new drugs are invented, they always use the word "drug." Why not use the terminology "medication?" Maybe it would discourage drug abusers. What do you think?

THE PRESIDENT. I think that's a good idea. I was talking yesterday, just coincidentally, Mrs. Rogers, to Dr. Peter Bourne, who is now the head of my entire drug control effort, and he will be working with foreign countries, including your neighbor of Mexico, and with the Congress and others, to try to hold down the abuse of drugs, and as you know, this applies not only to the illegal drugs like heroin and cocaine and marihuana, and others, but it also applies to some of the medications that you've described.

The barbiturates, for instance—there is a developing question about whether they are necessary at all, and Dr. Bourne

pointed out to me that the number one drug that causes death is heroin, and the second is barbiturates, which is a medication that's used quite frequently by medical doctors.

So, the two are mixed in the people's minds, and I think that "medication," as you have suggested, is a better word. I am not sure if you could name the dispensers of that, though, "medication stores." They might object to that. Maybe there's a better word. Maybe "pharmacy" would be best. But I don't have any authority over what they name it. But that's a good idea, to separate the two, the illegal drugs from the legal medications would be a good distinction.

MRS. ROGERS. Thank you. And the other question is, we are very concerned about the solar energy program here in the State of New Mexico.

THE PRESIDENT. Yes.

MRS. ROGERS. And we're hoping it will go through for us. Can you comment?

THE PRESIDENT. I don't know what the decision will be. I don't intend to get involved in the decision personally. I would like to see the research and development programs for solar energy be decided on a merit basis and where the installations are best.

I would say, though, that New Mexico has a head start on many of the places around the country because of the long history of research and development and because of your climate. But I think we will have several places around the country where we will be doing an increasing amount of research and development on solar energy in the future.

MRS. ROGERS. We love you, President Carter, and thank you very much.

GI BILL

THE PRESIDENT. Thank you very, very much yourself.

I've just gotten an answer, by the way, that I'd like to give, Walter, if I can, to Mike McGrath from Warsaw, Indiana, regarding the GI bill.

President Ford had recommended terminating benefits under the GI bill for all persons who entered military service after January 1, 1977. He wanted to cut the period of eligibility for veterans who had entered military service before this time from 10 years to 8 years.

During the campaign I came out against these actions and supported strengthening of the GI bill and to hold to the 10-year period of eligibility. In the budget that I just put into the Congress, I added the extra 2 years of benefits. So the 10-year period will remain for Vietnam veterans for the GI bill.

So, the answer, I think, is a good one for Mike, and I hope that he is still on the air to listen to it.

MR. CRONKITE. We remind you that to reach the President here in the Oval Office of the White House the number to call is 900-242-1611. In some areas there is an access code for long distance. If there is, you use it and then you dial 900-242-1611.

And having successfully done that, Mrs. Opal Dehart of Trinity, North Carolina, is on the phone, Mr. President.

THE PRESIDENT. Good afternoon, Mrs. Dehart.

LAETRILE

MRS. DEHART. Good afternoon, President Carter. I'm proud to have the opportunity to speak with you.

THE PRESIDENT. Well, it's nice to talk to folks from North Carolina. You got a question for me?

MRS. DEHART. Well, I really had more of a favor to make than a request. My father has terminal cancer. He found out a month ago. He's a hard-working man all his life, never made much money and

doesn't have much now and for several years I have been reading about vitamin B17, Laetrile.

And I feel that the people in this country should be permitted to use this treatment in this country. I realize that the AMA says it's not been proved safe, but for a terminal patient, who is not going to live and has a chance to live with it, I don't see how it could be dangerous. And hospital insurance does not cover treatment not authorized by the AMA, and most hard-working people in this country cannot afford treatment that's not paid under insurance benefits.

And if a person has money available to leave the country for treatment in one of the 17 countries where the cancer specialists use this successfully, they have a chance of recovery. And a lot of people even from my area have done this.

What I want to say is that we need your help and the Government's help in taking this vitamin out, that it's made available to the American people.

THE PRESIDENT. All right. Mrs. Dehart, I might let someone from the Department of HEW give you a call Monday and talk to you about it further. And you didn't ask me a question, but I have heard about the controversy. I know that in some of our neighboring countries, I think Mexico, you can buy the Laetrile and be treated with it.

MRS. DEHART. That's right.

THE PRESIDENT. Why don't you let me have someone call you Monday, if you don't mind. It wouldn't help much if I called you, because I'm not a medical doctor and I'm not familiar with it. Would that suit you okay?

MRS. DEHART. Yes, sir, it would. I just wanted you to be aware and maybe, sir, something could be done. There's an investigation needed. I know that right now it is banned because of the 1953 ban from the State of California.

THE PRESIDENT. Yes, ma'am.

MRS. DEHART. That's a little outdated. It's not been tested, and the doctors who signed the papers at that time had not tested it. They went on somebody else's word——

MR. CRONKITE. Thank you, Mrs. Dehart. I know the President is going to have you called on that. It is a matter that concerns a lot of people in the U.S.——

THE PRESIDENT. Walter, I might say one of the things that concern the medical profession in permitting the use of a drug that might not be harmful and may not do any good either, is that sometimes it causes people not to seek treatment because they are depending on a worthless drug. I'm not trying to make a judgment on this one, but I know that's a concern to us.

MR. CRONKITE. Mr. O. B. Parris of Vinemont, Alabama, on the phone, Mr. President. Mr. Parris?

OIL COMPANY DIVESTITURE

MR. PARRIS. Yes, Mr. President, I'm Red Parris with Gulf Oil. I'm a jobber for Gulf Oil Company here in Cullman [County], Alabama; also with Goodly Construction Company.

I was wondering how you feel on the vertical divestiture of the oil companies——vertical and horizontal divestiture of the oil companies.

THE PRESIDENT. The position that I took during the campaign, Mr. Parris, is the same one that I have now, I think, as a general proposition, vertical integration of major industries is not contrary to the best interests of the American people, provided you have a continued and adequate competition.

I am concerned on two ends of the vertical integration process. One is that there be an insured competition for leas-

ing rights. I think it would be a mistake for us to require a different company to drill for oil, to extract the oil from the ground, to pump the oil to a refinery, to do the refining, and then to distribute it, and then to wholesale it, and then to retail it.

If different companies had to do all those processes, I think that the price of the final product, like gasoline, would be greatly increased because of inefficiency.

MR. PARRIS. I do, too.

THE PRESIDENT. I think at the wholesale and retail level, though, there have been occasions that I've witnessed when there has been an inadequate amount of competition. And sometimes small and independent service station operators have been forced to shift toward the majors, and this particularly did occur in the initial stages of the 1973 embargo period.

I have a concern also about horizontal investments. When the major oil companies acquire over a period of time a controlling interest in, say, coal mining operations, it means quite often that there's not a heavy enough emphasis placed on increasing coal production.

So, at the wholesale and retail level, I have some concern.

And in the horizontal investments by oil companies, like in coal or uranium, I have some concern unless I am convinced that there is adequate competition there. I would be in favor of considering divestiture, but my first preference would be to insure competition through the anti-trust laws and disclosure of profits at the individual levels of the vertical integration, rather than divestiture itself.

MR. PARRIS. Thank you very much.

THE PRESIDENT. Thank you, Mr. Parris.

MR. CRONKITE. The next caller is Mr. Dale Butkovitz of Peru, Illinois. Mr. Butkovitz?

COFFEE PRICES

MR. BUTKOVITZ. Yes, good afternoon, Mr. President.

THE PRESIDENT. Good afternoon, Dale.

MR. BUTKOVITZ. Yes, I have a question here. This relates with the recent coffee situation. My question is, can we see any prospect of lower imported commodities on—such as coffee, and if so, how can we go about this?

THE PRESIDENT. Is your name pronounced Butkovitz or Butkovitz?

MR. BUTKOVITZ. Butkovitz, Mr. President.

THE PRESIDENT. Butkovitz.

I don't know how to answer your question about the future. As you know, the Brazilians and other coffee-producing countries claim that the drought—or freeze I think it was—destroyed a number of coffee trees and that's the reason for the high prices.

I think there are adequate reserves on hand now. But the future crops of coffee are likely to be very short, and the prospect of shortages have forced up the price.

I don't know how to deal with this. There is no way for us to control the price of coffee that comes in from Colombia or Brazil or Costa Rica to our own Nation.

I think that we have one opportunity as consumers, and that is to drink less coffee as the price goes up. This is almost inevitable in a free enterprise system.

I'm here now for 2 hours without moving, and just coincidentally, I am drinking hot tea now instead of coffee.

I don't want us to put up an embargo on coffee use, but I don't know how to answer your question any better than that. I don't know what the future holds. I don't think that we can do anything to control the price of coffee except to reduce consumption.

MR. BUTKOVITZ. Mr. President?

THE PRESIDENT. Yes, Dale.

MR. BUTKOVITZ. God bless you, and I wish you all continued success. You're doing a fine job.

THE PRESIDENT. Thank you very much, Dale. That's nice of you.

MR. CRONKITE. We're going to pause now briefly in this CBS News special broadcast, "Ask President Carter," to give our stations 5 seconds to identify themselves.

This is the CBS Radio Network.

This is "Ask President Carter," an experiment in communication between the President and the people of the United States.

Now, let's go over the ground rules again. The toll free number is 900-242-1611. CBS operators will take your call. They'll verify it, and they'll call you back to put you on with the President.

We want to hear from just as many of you as possible, so please do get your question promptly when you get on the line.

Mr. President, let's take another call. It is from Mr. Phillip Roche Tooele of—or it's Mr. Phillip Roche of Tooele, Utah.

THE PRESIDENT. Very good.

MR. CRONKITE. Let's go through this once more, Mr. President. We might as well spend the afternoon with this. Mr. Roche of Tooele, Utah.

MR. ROCHE. That's Tooele.

MR. CRONKITE. All right, thank you, sir. It is Roche, though, isn't it?

MR. ROCHE. It is Roche.

THE PRESIDENT. Phillip, go ahead with your question.

SICK PAY

MR. ROCHE. Mr. President, are you familiar with the sick leave portion of the 1976 income tax revision?

THE PRESIDENT. What was the first part of that? I heard the 1976 income tax revision. What's the first part?

MR. ROCHE. The sick leave portion of the 1976 income tax revision.

THE PRESIDENT. Yes, I am fairly familiar with it.

MR. ROCHE. Well, my question is this, Mr. President, of those that can't qualify for their Federal medical retirement now, could they possibly be given their jobs back?

THE PRESIDENT. I don't know.

MR. ROCHE. The 1976 income tax revision changed the agreement to which these people retired at. And by changing the agreements, people making \$300 or \$400 a month are going to have to come up with \$400, \$500, \$600 for their 1976 income tax, due to the retroactive clause in the sick leave portion.

THE PRESIDENT. Mr. Roche, perhaps Walter could answer that question. I don't know. But I'll have my staff see if I can get the answer. If I can't give it to you on this program, I'll give you a call Monday and try to answer your question.

MRS. ROCHE. That would be great, but, Mr. President—

THE PRESIDENT. Yes, ma'am.

MRS. ROCHE. If we would be allowed, the truly disabled ones were allowed up to \$100 a week tax deduction, if they were truly disabled, even though they are truly disabled now, this new revision has taken away that exclusion.

MR. CRONKITE. I gather that is Mrs. Roche, is it?

MR. ROCHE. That's the boss.

MR. CRONKITE. Well, I tell you, the President is going to look up this question for you. It's a rather complicated one. He is going to see if he can get an answer for you and get back to you. The question is almost as difficult as pronouncing Tooele—

MR. ROCHE. Tooele.

MR. CRONKITE. —Utah.

Thank you very much, Roches; glad to talk to both of you.

THE PRESIDENT. I'll call you back personally on Monday and talk to you about it.

MR. CRONKITE. Now, Mr. Charles Stone, Mr. President, of Dallas, Texas. I can pronounce both of those names, Stone and Dallas.

INCOME TAX; HOUSING

MR. STONE. Two questions, sir. Having recently completed figuring the income tax for my fiancée and myself, the tax difference was \$1,000 between single and married. When and what action do you plan to take?

Also, in the news you recently stated that the cost of a new home is out of reach to most Americans. Is there anything that can be done about the price or the interest rates?

THE PRESIDENT. Mr. Stone, the only thing that I know of that can cut down on the price of interest rates would be to control inflation. And we have been working for the last 6 weeks on a comprehensive approach so that we will know in Washington and so that the American people can be informed about all the things that we do that cause an increase in interest rates.

In addition, for low-income families or middle-income families, we are trying to stimulate housing construction by helping with the repayment of your mortgage on a monthly basis.

I hope to increase the amount of guaranteed loans for people like yourselves, and I hope that this will be of help to you in the years to come.

We've increased the authorization for home construction by between \$8 billion and \$9 billion which is an awful lot of

money. Of course, that extends over 40 years in the future.

To answer your first question, I would like to see in a tax reform package a removal as much as possible of any sort of tax advantage for either single people or married people. This is a complicated question, and I don't know how to deal with it.

We have now in some parts of the income tax laws a fairly substantial reward for people who live in the same house but who are not married, and I would like to remove that, but at the same time let people who are single and who live alone, not as married people, not be punished.

So, that's one of the complicated questions that has always been a matter of debate, both in the States' and National Legislatures.

I don't know how to give you the answer yet. But there is a great disparity now.

MR. STONE. Yes, sir, you will have an answer, I believe you said in September, in your tax package.

THE PRESIDENT. I hope so. We're going to address that issue, and I hope we can come up with a reasonable answer. We are going to complete the study of this entire tax code, which is enormously complicated, as you know, and the deadline that I have established and the Secretary of the Treasury, Mike Blumenthal, is the lead Cabinet officer on it, has agreed we can complete this study and make our recommendations to the people and to the Congress by September 30. Yes.

MR. STONE. Thank you, sir.

THE PRESIDENT. Good luck to you.

MR. CRONKITE. Mr. President, did I understand you to say there you would penalize unmarrieds living together?

THE PRESIDENT. No, I just don't think there ought to be an advantage between married people and the unmarried people who share the same household. I'd like to

remove, if possible, any advantage one way or the other, Walter.

MR. CRONKITE. Mrs. John Ritchey is on the phone, Mr. President. She is in Georgetown, Kentucky. Mrs. Ritchey?

MRS. RITCHEY. Good afternoon, Mr. President.

THE PRESIDENT. Good afternoon, Mrs. Ritchey.

OTTAWA INDIAN LAND SALE

MRS. RITCHEY. I am part American Indian. I'm a descendant of the Ottawa tribe of northern Michigan. We presently have a bill in the Senate. It's bill number 1659. This is awarding us payment for sale of land to the Government, but the Government is once again dragging its feet for prior services and things like this.

I would like to know if you are aware of this bill and if you can help us in any way. This originally started in 1870. It was a signed treaty. There was a partial payment made in 1910, but since then, nothing.

THE PRESIDENT. I see. The answer to the first question is easy. The answer is no. I'm not familiar with the bill. The answer, if I will help you or not—I'll help you to this degree. I will look into the bill and see what I think is a right and fair thing to do. If it seems to me that the particular Indian group to which you refer has not been treated fairly, then, through the Department of Interior and the Attorney General, I'll give you what help is proper.

MRS. RITCHEY. Okay.

THE PRESIDENT. I'll either be back in touch with you this coming week or let one of my staff members call you back and see what we think about the legislation that you have described. Okay?

MRS. RITCHEY. Okay. This is something, you know, that we've worked on—

THE PRESIDENT. Yes.

MRS. RITCHEY.—with our ancestors. They've all died. This is something that they've all talked about. These are hopes and dreams that have never been fulfilled.

THE PRESIDENT. I understand. I think, as you probably know in Maine, in Massachusetts, in several places around, further west and south, there's a great new analysis of whether or not Indians have been treated fairly and legally in the past.

MRS. RITCHEY. Yes, sir.

THE PRESIDENT. I would believe that I and the Congress would want to treat your ancestors or their descendants, including yourselves, fairly about it. But I'll look into the bill personally and let you hear from either me or my staff about it.

MRS. RITCHEY. Okay. Thank you, sir.

THE PRESIDENT. Good luck. Thanks for calling.

MRS. RITCHEY. Bye-bye.

MR. CRONKITE. The next call, Mr. President, is from the Reverend James Baker, Ridgeland, South Carolina. Reverend Mr. Baker.

CONSUMER PROTECTION LEGISLATION

REVEREND BAKER. Good afternoon, Mr. President.

THE PRESIDENT. Good afternoon.

REVEREND BAKER. First, sir, I would like to commend you for the efforts you have made to restore ethics and morality in Government. I think you have taken a splendid action in that direction. And I wonder if more cannot be done to protect the consumer from shoddy merchandise or warranties that are not honored and similar unconscionable profit actions on the part of a minority in our country, either through the Federal Trade Commission or a consumer protection bureau sort of setup.

THE PRESIDENT. If I don't do that, Reverend Baker, before I go out of office,

I will consider my administration being a failure. You are absolutely right.

In many instances the regulatory agencies in Washington have been staffed and led by men and women whose primary interest is not to the consumer at all, but to the industries being regulated.

REVEREND BAKER. Yes, sir.

THE PRESIDENT. So far we've not been able to get passed the legislation for establishing a consumer protection agency and the consumers' interests quite often are supposed to be protected by a little tiny group of people in many dozens, even hundreds of agencies scattered throughout the city of Washington.

So, I'm in favor of establishment of the consumer protection agency itself to focus the consumer's interest in one agency as much as possible. This agency would be quite small. I think the budget would be in the neighborhood of \$11 million a year for the entire nationwide coverage, and it would let you and I and other people know where to go to register a complaint. And it would also have a group of people there whose only interest would be to protect people like you from being cheated.

So, I am strongly in favor of that. And I believe that before the next year or two goes by, we'll have the new agency in operation, and I wish that you would examine every one of my appointments in these regulatory agencies that have taken place now and that will take place over the next 4 years, and I believe, in every instance, you'll see that the people that I do appoint have their obligation to the consumer. That's the way it should have been in the past.

REVEREND BAKER. Thank you. Since you're interested in the small consumer, you see, the consumer with a small complaint is not able to hire an attorney, naturally, to handle it for him, where a consumer, you know, has a \$25 or \$50 complaint. He has nowhere to turn unless he

has an agency that can handle it for him. Many of these are poor people.

THE PRESIDENT. You're right. I favor, in certain instances, the right, the increased right of consumers to file class action suits, law suits, where a thousand customers who have been cheated can get together and get some relief from unfair trade practices. And also, on occasion, the consumers ought to have an increased right to have legal standing in court.

I think that within the Government itself, quite often the consumers have not been treated fairly. That's why I believe it is better to have a separate agency for consumer protection itself.

REVEREND BAKER. Thank you, sir. You have the prayers of the American public for a successful term of office.

THE PRESIDENT. Thank you, Mr. Baker.

MR. CRONKITE. Mr. President, when do you expect to send legislation or a proposal for legislation to establish a consumer agency up to the Hill?

THE PRESIDENT. The legislation, Walter, as you know, made a lot of progress last year. My own inclination is to support the legislation that was already considered by Congress, and I believe that with the support of the White House, instead of the opposition that was the case under the previous administration, that it will be passed.

MR. CRONKITE. Will you support the present legislation as it is now up at the Hill then?

THE PRESIDENT. Yes. I wouldn't want to say I would support it in any language that is put in it, but if I can approve the basic language, I am strongly in favor of the agency, yes.

MR. CRONKITE. The next caller is John Melfi of Johnson City, New York.

MR. MELFI. Good afternoon, Mr. President.

THE PRESIDENT. Good afternoon, John.

FOREIGN ASSISTANCE

MR. MELFI. I know we have a foreign aid policy to help countries in need, but why do we spend so much on this when we have so much poverty, unemployment, et cetera, in our own country?

THE PRESIDENT. Well, John, I am going to take a position that's not very popular, politically speaking. We only spend about $\frac{3}{10}$ of one percent of our gross national product on foreign aid, which is about half the proportion that is allotted to this purpose by other countries like France, Germany, and so forth.

I don't particularly want to increase this greatly, but I would like for it to be predictable. Also, in the past, we've not had foreign aid used in an effective way. As one of my friends has said quite often, I'm not in favor of taxing the poor people in our rich country and sending the money to the rich people in poor countries, and quite often that has been done in the past.

We have also a need, in my opinion, to support the lending institutions, the International Monetary Fund, the World Bank—they give aid to other countries in the form of loans, sometimes low-interest loans. But instead of just handing gifts out that are kind of bad, as a basic philosophy, and also that are abused, I would favor contributing to the capital stock of these international or regional lending agencies. I believe we will get a lot better return on our money, and I might say that my own experience in this first 6 weeks has been that the International Monetary Fund, for instance, and the World Bank are quite strict on a nation that makes a loan.

They make them work hard toward balancing their budget. Quite often they require them to clean up corruption.

They make them assess very carefully their trade policies.

So, I believe that the lending procedure in foreign aid is much better than the gift procedure, and when direct grants are made, we ought to do more than we have in the past to get the grants to people who actually need it.

Within those changes, I think that our present level of foreign aid is about right, John.

MR. MELFI. Okay. Thank you, Mr. President. Best of luck to you in the future, and I hope you are here for another 8 years.

THE PRESIDENT. Thank you very much.

I might say, Walter, there's a Mr. Otto Flaig of Milwaukee, Wisconsin. His telephone number, unfortunately for him today, is 242-1611, and ever since 6 o'clock this morning he has been getting calls from people who want to talk to me. He has requested me to announce that people please dial the 1 and then the 900 before they dial the 242-1611, so his phone will quit ringing.

MR. CRONKITE. I assume those calls could only get to him from the Milwaukee area, and if they once dial the 900, it won't get through to him at all.

THE PRESIDENT. That's true. I'd like to ask people—I guess there are other folks around the country that got the same last seven numbers. So, everybody ought to remember to dial the 900 before the 7.

MR. CRONKITE. I wonder if that gentleman in Milwaukee is giving them any answers. Maybe he is giving them quite satisfactory solutions to their problems.

THE PRESIDENT. I am sure he is getting a lot of questions. His answers are probably better than mine.

MR. CRONKITE. We have a call from Lapeer, Michigan, from Ms. Colleen Muir, I believe it is.

Muir, is it?

MS. MUIR. Muir.

MR. CRONKITE. She's 16 years old, I am told, Mr. President.

Go ahead, Ms. Muir.

MS. MUIR. Good afternoon, Mr. President, and thank you for this opportunity to talk to you.

THE PRESIDENT. Thank you, Colleen.

MILITARY AND PUBLIC SERVICE

MS. MUIR. I was wondering, since the volunteer draft program isn't working too well, that you would put a draft system into effect; and, if you would, would you draft women the same as men as the equal rights amendment infers?

THE PRESIDENT. Well, Colleen, we don't have any plans now to put in a draft system. So far we are still getting by with the voluntary armed forces.

The major problem has been in the reserves. We are about 800,000 people short, I believe, now in reserve recruitment. The regular armed forces are holding their own.

But if I see it is necessary in the future to initiate a draft, then I would certainly recommend to the Congress that this be done.

I would like to combine it with a much more comprehensive public service opportunity where people might go into jobs like the Peace Corps or VISTA, teachers' aides or mental institutions and so forth, along with military training as well.

I would make it much more all-inclusive than it has been in the past. I would not, for instance, exclude college students. And if it becomes necessary for national security, the likelihood is that women would be included as well. But I'd like to draw a distinction between military service and other service that would benefit our country just as much in a time of need or crisis.

But I might reemphasize that at this time we have no intention of going to a draft.

MS. MUIR. Okay, thank you.

MR. CRONKITE. Thank you, Ms. Muir. From Jerry Wildman, the next call, Mr. President. He's in Lake Worth, Florida.

MR. WILDMAN. That's Wildman, Mr. Cronkite.

MR. CRONKITE. All right.

MR. WILDMAN. Good afternoon, Mr. President.

THE PRESIDENT. Good afternoon, Jerry.

UGANDA

MR. WILDMAN. Before I get to my question, I would just like to add that I am a candidate for the U.S. Naval Academy, and I hope to follow along in your footsteps.

Now, to my question, I would like to know what actions would be taken if any hostile acts were taken against American or allied citizens living in Uganda.

THE PRESIDENT. That was a question earlier on the program, Jerry. I might just say that we had this question come up last weekend. We tried to handle it in a very unpublicized and careful way, knowing the unpredictability of Idi Amin.

I just let him know very forcefully and frankly that we were concerned about American citizens. And we also got other nations, who have the communications and the understanding of Amin better than we do, to deal with him and to help us there.

I understand from the news that about 8 or 10 different foreign leaders, mostly from the Moslem countries, contacted Amin. The West Germans helped us a great deal, and the crisis was averted.

But I would guess if this should reoccur in the future—and I hope it won't—that we'll handle it in the same way, Jerry.

MR. WILDMAN. I see. Well, thank you very much, Mr. President.

THE PRESIDENT. Thank you, sir.

MR. CRONKITE. The next question is from Samuel Rankin of Billings, Montana, Mr. President.

MR. RANKIN. Good afternoon, Mr. President.

THE PRESIDENT. Good afternoon, Sam.

HEALTH CARE; VIETNAM

MR. RANKIN. I have a two-part question. The first is broken into two minor economic questions. I hope that this has not been covered previously. If it has, maybe you would like to add some things that possibly you didn't get to add in the previous questions.

I would like your commitment and your comments on a resolution in the public's favor that would alleviate the painfully high cost of medical care in the U.S. And I know also that these two are related—a total commitment to the lowering of the transfer payments, which I believe are your 46 percent of the income derived by the Government from corporate and individual taxes.

THE PRESIDENT. Mr. Rankin, I don't know any way to answer your question very well at this point. I might say that these are two questions that we're working on simultaneously. The income tax changes are part of the transfer of payments. Also, the welfare system in its entirety needs to be reformed.

By the first of May, Joe Califano, who is the new Secretary of HEW, working with literally hundreds of different people, will come up for me and for the Congress with a comprehensive reform of the welfare system. It will be, I would say, next year before we can complete an adequate analysis of the health care system as a whole.

Now, we are trying now to hold down the cost of both medicine, treatment, and also hospital care. But I can't answer your question yet.

MR. RANKIN. All right.

THE PRESIDENT. The first part of the answer, though, will be forthcoming May 1 with a welfare reform package; the second part, September 30, with income tax revision proposals. And the comprehensive health care would probably have to wait until next year. There's just so much we can do the first year, Sam.

MR. RANKIN. I appreciate that.

THE PRESIDENT. I'm sorry.

MR. RANKIN. Then, the second part of my question, Mr. President, with many of our young people so involved in the past and presently with Vietnam, I would like to respectfully suggest that possibly you appoint a young person, preferably a Vietnam veteran, to accompany the mission headed by Leonard Woodcock and including my State's most distinguished Member of the Senate, Senator Mansfield, going to Vietnam in the near future. I believe this would help many of us, myself included, who felt hesitant in going to Vietnam and would now like to feel that we are helping rebuild that country.

And I respectfully request that my name be on that list if and when you do decide to include a young member.

My wife wants me to be sure and say that if you are ever in Billings, Montana, that we would more than like to have you stay at our home.

THE PRESIDENT. That's a very nice invitation for me. My roommate at the Naval Academy back in ancient days was from Butte, Montana. His name was Blue Middleton, and I hear a lot about Montana from him. And, of course, Senator Mike Mansfield is one of the most distinguished Members of Congress that has ever served in our country.

The five members who will go to Vietnam have already been chosen. Leonard Woodcock will be the chairman. As you have said, Mike Mansfield would go. A woman, Marian Edelman, will also be on the trip, and a professional diplomat will go along, and also one Member of the House of Representatives as well.

Unfortunately, we won't have a veteran of the Vietnam war. I thought about this, Sam, and I also thought about sending a member of an MIA family.

MR. RANKIN. Right.

THE PRESIDENT. But my judgment was that we probably ought not to get people there who are so deeply and emotionally involved in the process. We've been encouraged so far—nobody can predict what is going to happen in the future—at the response of the Vietnamese Government.

I think they want to reestablish relationships with our own country. They need help in exploring for oil and in other ways. They need to trade with the outside world and not be completely dependent upon the Communist countries, like China and Russia.

Of course, we want to get an accounting for the more than 2,500 Americans who still are not completely accounted for in Vietnam. So you have a good suggestion. But I have already chosen the five people, and they are now getting ready to go.

They'll arrive in Vietnam, if the plans go through, I think, the 16th of March. So it is well underway.

MR. RANKIN. I think your proposal, your counterpoint to mine, was well taken. I can understand, you know, your thinking behind choosing someone who isn't necessarily a Vietnam veteran.

MR. CRONKITE. Thank you, Mr. Rankin. Thank you, sir, for calling.

I am going to suggest, Mr. President, that because we only have 35 minutes left, that from here on out we ask the

callers to limit themselves to one question or possibly a followup if it is really necessary. But let's limit each caller to one subject matter, at any rate.

The next call is from Louis Lawson of Richmond, Virginia.

Mr. Lawson?

MINORITY EMPLOYMENT

MR. RUSSELL LAWSON. Mr. Cronkite, President Carter, my name is Russell. You may call me Russell. Unfortunately, I had two questions before Mr. Cronkite asked me to limit it to one. But I have one that is really uppermost in my mind.

I was wondering if you feel if there is any inequity in passing laws which encourage the hiring of members of minority groups and women while passing such laws implies resisting hiring equally qualified white males?

THE PRESIDENT. Yes, I don't like that concept, either. I think most of the laws that have been passed have been designed very narrowly to insure that there is no continued discrimination against somebody because they are in a minority group or women. Now, the courts have interpreted this to mean that if a company, for instance, has historically excluded men and women from the labor force, from their own labor force, that they have to go back and take corrective action.

But I think all of the laws with which I am familiar on equal employment opportunities just guarantee that now and in the future there won't be discrimination and that if there has been a history of discrimination, that it be corrected.

MR. LAWSON. I hope that is true. I have been unemployed for a while. I feel I am the victim of this kind of system.

I want to say though before I go, that I'm really impressed by your desire to involve Americans more closely in the Gov-

ernment, and I am so pleased to have had the chance to talk to you.

Thank you, Mr. President.

THE PRESIDENT. Thank you.

SICK PAY

I might say we have a question we can answer, I think, now, for the man and his wife in Utah about the exclusion for disabled people.

This was removed from the income tax law in the 1976 act; that is, sick pay exclusion for anyone except the permanently disabled. The Congress gave as its reason, it sounded like a good reason, that such sick persons could deduct their medical expenses from the income tax and would therefore get a double benefit.

When anybody in our society, even if it is an afflicted person or disabled person, has a special exclusion, then other people have to pay their taxes for them. This is one of the things that will be assessed this year, and we may or may not put the double credit back for permanently disabled, but my guess is it would not be put back in.

MR. CRONKITE. The next caller, Mr. President, is Ms. Cheryl Quinn of Cleveland, Ohio.

GI BILL

MS. QUINN. Yes. Hello, Mr. President.

I want to thank you for doing a great job and thank you for the Inauguration tickets.

And also my mom was in the Korean war and she, after she got out, she was signed up to take X-ray and technician. She had to come up, back to New York from Texas. Then she got married and had kids. And then she couldn't—when she did get the VA bill, she didn't give her what they wanted, what she wanted. They only gave her 8 months of school. She has 3 years and some.

THE PRESIDENT. You want to know what can be done about it, Cheryl?

MS. QUINN. Yes, I do.

THE PRESIDENT. She may have let her time run out on the GI bill of rights. That's probably what happened, the way you describe it. I don't think we could do anything about it, to be perfectly frank with you, without changing the law to make a special case for your mother and those like her. I doubt that it could be changed, Cheryl. When the law was written, the Congress put into it that after a certain period of years, I think 10 years, that the GI benefits would be lost. But I'll have someone on my staff check out the case and see if there is something that can be done about it, within the law itself. They'll give you a call back this coming week. Okay?

MS. QUINN. Okay.

MR. CRONKITE. Let me remind you that these calls are not being screened in any way for content. There is no censorship at all of the calls into us here in the Oval Office of the White House.

Gerald Anderson, Denver, Colorado, is the next caller.

MR. ANDERSON. Hello, Mr. President.

THE PRESIDENT. Hi, Gerald.

CONGRESSIONAL PAY INCREASE

MR. ANDERSON. I'm wondering what is the justification with you trying to reduce the Federal budget, the justification behind the \$12,000 pay increase for Congress? How can you lower the budget by giving them \$12,000 a year and us \$50 back?

THE PRESIDENT. Gerald, that is a hard question for me to answer.

MR. ANDERSON. I'm sure it is. That's why I thought I would throw it at you.

THE PRESIDENT. I think you probably know that there is a law that was passed by Congress and the previous Presidents,

before I came into office, that said that a commission would recommend pay levels for the Congress and for others like the Federal judges and Cabinet officers and unless the Congress voted no, that the pay raises would go into effect. In other words, if the Congress does nothing, the pay raises go into effect.

And that's what occurred. That law has been on the books for quite a while.

MR. ANDERSON. Well, right, what I am getting at, though, is with you trying to lower the budget, why did you not try to do something to stop that or if there was anything that could be done to stop it? Why couldn't in some way they be convinced that it was against, you know, the fiscal matters of the country to give them this increase?

THE PRESIDENT. Well, I might say that I think that the salary increases were justified. One of the things that President Ford asked me to do before I was inaugurated, while he was still in office, was to add my support to the increase in salaries. I agreed not to object to the increase, provided there was a strict law on ethics tied to it to limit the outside income of Congress Members and to remove the conflicts of interest that exist between, with them and also with people serving in the executive branch of Government.

I do think the law ought to be changed, Gerald, to make sure that in the future, if any sort of salary increase goes into effect, that it not go into effect until after the following general election. I think this would help a great deal to make all of us more careful about it, and it would mean that if the Congress doesn't veto an increase, that they would not get an increase in salary until after they had to face the voters again in the next general election.

With that change, I would be in favor of continuing the law as it is.

MR. ANDERSON. So, there was no way you could have stopped this increase?

THE PRESIDENT. That's correct. I didn't have any authority over it. I have to say to you, I could have made speeches around the country against it, but it was not my inclination to do so.

MR. ANDERSON. Don't you feel that with the Congress people receiving this excessive amount of money, compared to the average working person, that it puts them out of touch with reality as far as what the average person has to go through to live in this country?

THE PRESIDENT. Well, I can't say that you are exactly right on that, no. I have seen, from my own experience, that it costs a Member of Congress an enormous amount of extra money to maintain close contacts with the people back home. Quite often to finance and to own a house, say, in Colorado, where you live, and also to buy and to own or to rent an extremely expensive house here in Washington. Also, the Congress Member, in order to stay in office and to build up seniority to serve you and the other people around Denver better, has to run for office every 2 years. Now, there are also Members of Congress who have no trouble raising money for a political campaign. Others have to spend a lot of their own money in a political campaign.

If you compare, say, a Member of Congress who has to do that with a Federal judge who lives in Denver full time, who doesn't have to run for office, who gets the same amount of pay, and who doesn't have the constant political world to live in and to deal with all kinds of complicated and very controversial questions like a Congressman does, all in the open, I think the Congressmen deserve just as much salary as a Federal judge.

So, it cuts both ways. I think, Gerald, that in fairness to the Members of Congress—I've never been in Congress as you know—there are some extraordinary expenses that a Member of Congress has

that an average person, even a public servant like a Federal judge, does not have.

But I believe that the one change that I described to you ought to be made; that is, to let future salary increases go into effect only after the next general election.

MR. CRONITE. It is also true, Mr. President, isn't it, that the Members of Congress, members of the judiciary and the executive branch who are entitled to these raises, had not had one for a very long time and had fallen far behind the general cost-of-living increases?

THE PRESIDENT. I think the last raise went into effect about 8 years ago.

I might say, Walter, that I made a mistake a while ago. I got my decimal point wrong on the shortage in the reserve figures because of not having a draft. The total reserve is about 800,000 and the shortage is about 10 percent of that, 70,000 or 80,000. Somebody just called in and said that I said the shortage was 800,000. And I'm sorry I made that mistake.

MR. CRONKITE. An officer in the reserve I would guess.

THE PRESIDENT. I guess.

MR. CRONKITE. Sergeant David Cash of Mililani, Hawaii, is on the phone, Mr. President, our first call from the State of Hawaii. Sergeant Cash?

SERGEANT CASH. Good morning, Mr. President.

THE PRESIDENT. Good afternoon, Mr. Cash.

MARTIAL ARTS TRAINING

SERGEANT CASH. I'm with the 25th Infantry Training Command. We have a *tae kwon do* program, which is the Korean martial art, and it's been with the 25th Infantry for the last 3 years. We train the Army personnel in it to, you know, to be a better soldier in discipline and mentally conditioned. And they turn out to be real,

real—better soldiers—real good soldiers.

I wondered how much difficult a problem it would be if the Army, throughout the whole Army, the United States Army, that we could have a program like that established in every infantry division.

MR. CRONKITE. Do you understand what the program is, Mr. President? Because I am afraid I don't.

THE PRESIDENT. No. Would you tell me briefly, Sergeant Cash, what the program is again?

SERGEANT CASH. It is *tae kwon do*. That's the Korean martial art. It is like you have karate in Japan—

THE PRESIDENT. Oh, I see. I understand.

SERGEANT CASH.—which, which we train personnel which come in the division as a—

THE PRESIDENT. I understand now. Well, I think it's probably a good program to have, Sergeant Cash. When I went through my own Navy training, I had the equivalent of karate training as part of my own preparation for military service.

I might say that I broke my right collar bone in the process, but I recovered from it.

I think that the most severe kind of physical training for combat soldiers is probably beneficial. It obviously ought to be done without abuse and without damage to the person, but I think that to be in top physical shape and to know how to deal with personal hand-to-hand combat is a good thing. I hope I've understood you question properly.

MR. CRONKITE. Thank you very much, Sergeant Cash.

Let's go to the next telephone call, from Walter Lipman of Spring Valley, New York.

MR. LIPMAN. Good afternoon, Mr. President.

THE PRESIDENT. Good afternoon.

DRUGS

MR. LIPMAN. I am rather amazed at being able to get hold of you.

This question is something that a bunch of friends of mine and I bandied back and forth and swore would never get on the air, but anyhow, Mr. President, it seems, well, at least to me and my friends, that the term "drug addict" is more a function of one's social station than anything else. Many famous people, such as Sigmund Freud and Sir Arthur Conan Doyle, who wrote Sherlock Holmes, and Dr. William Halsted, who was one of the founders of the Johns Hopkins Medical School, were quite heavy users of drugs such as cocaine and morphine, yet they were considered leaders of society in their day.

Now, in this light, doesn't the prosecution of drug users and their habits by the Drug Enforcement Administration seem capricious, arbitrary, and rather unjust?

THE PRESIDENT. No, it doesn't, Walter, not to me. I established a drug treatment program in Georgia while I was in office there as Governor. In July of 1972, I believe it was, we had 11 deaths in the Atlanta area from heroin overdose, primarily among young people. We put in a drug treatment program and kind of opened the whole question up to public awareness in October, and the following 12 months we had zero heroin deaths.

I've been in our treatment centers throughout the State of Georgia. In fact, my sons have worked in those treatment centers. I've seen literally hundreds of young people's lives almost completely destroyed by addiction to heroin, in particular.

I think that a question like morphine would be a different one altogether. Morphine is a drug that's, as you know, administered legally—or as a previous caller said, a medication that is administered legally.

But I would do all I can, and am moving as aggressively as possible, to stamp out the traffic in drugs like cocaine or heroin. I believe they are a devastating affliction on our society and ought to be eliminated as much as we can.

MR. LIPMAN. Mr. President, do you know the drug origin of heroin?

THE PRESIDENT. Yes, I know it comes from poppies.

MR. LIPMAN. No, but the purpose of this—

MR. CRONKITE. Mr. Lipman, thank you very much for your call, but we're running a little short of time. We do want to get in as many calls as possible, so we're going to move right along to Paul Guertin of Cudahy, Wisconsin.

MR. GUERTIN. Hi, Mr. President.

THE PRESIDENT. Yes, Paul?

SELECTIVE SERVICE PARDONS

MR. GUERTIN. One thing I've always wished I could tell you, and now I have the chance, that's, pardoning the draft dodgers or evaders was one of the best things you could probably ever do, because I feel that if somebody dodged the draft or was an objector of it, obviously they had a reason, and they should be listened to. And forcing somebody to do something, even if they object to it or don't believe in it, is just taking away their rights.

MR. CRONKITE. Do you have a question, Mr. Guertin, for the President?

MR. GUERTIN. Not really. I just wanted to say that.

THE PRESIDENT. Well, I might say that that was one of the most difficult decisions I made. I made my decision, though, quite early in the campaign. I never did mislead the American people about it. I made the major public announcement at the American Legion Convention out in the State of Washington last year—one of the most critical audiences that I could have had.

I've just seen some public opinion poll results this week that showed that about 45 percent of the American people thought I made a mistake, about 45 percent of the American people thought I did the right thing, and the other 10 percent didn't have any opinion. So there's no way to suit people.

I feel that it is time for us to get over the Vietnam war as soon as we can, and I believe that those that have been excluded from living in our wonderful country for the last 10 or 12 years have been punished pretty severely.

MR. GUERTIN. I agree with it.

THE PRESIDENT. I think that the deserters and all, as I said earlier on this program, ought to be handled on an individual case basis within the Department of Defense, and they are expediting their assessment of cases and will handle them under normal military legal procedures.

MR. GUERTIN. Okay. Well, it's really nice being able to talk to you. Thank you very much.

THE PRESIDENT. Thank you, sir.

MR. CRONKITE. The next call is from John Raymond Lau of Yorktown Heights, New York, Mr. President. Mr. Lau?

MR. LAU. Hello, Mr. President?

THE PRESIDENT. Go right ahead.

MR. LAU. Yes, how are you doing, Mr. President?

THE PRESIDENT. Fine.

CONCORDE SST

MR. LAU. I would like to know what your opinion is of the French-English Concorde, and with the elections in France this week, do you feel that rejection of the Concorde would bring the power to the French Communist Party?

And also I'd like to say that many French citizens are counting on the SST to keep France from going the Commu-

nist way. So, what is your opinion on that, Mr. President?

THE PRESIDENT. Okay. Our Government has already expressed its opinion, Mr. Lau. The previous administration authorized the Concorde to come into our country for a 16-month trial period, and a couple of weeks ago I made a statement that I agreed with that decision and thought the Concorde ought to be given a chance to fulfill its trial itself. As you know, under the Federal law I have authority over Dulles Airport.

MR. LAU. Right.

THE PRESIDENT. And so did President Ford. We're permitting the test flights to come into Dulles, and we're very carefully monitoring environmental consequences of the SST flights, including primarily noise.

The Kennedy Airport in New York is not under my control at all. I have nothing to do with it, no authority over it. The New York Port Authority has that decision to make, and I understand on March the 10th they are going to make a decision whether the Concorde can come in for test flights or not. I don't know what their decision will be.

I talked to President Giscard from France yesterday about the Concorde, and I also talked to Governor Hugh Carey to let Governor Carey know, as President Giscard had asked me to, that the French people consider this a very important issue. My own statement to President Giscard is that we are not concerned about the SST flights because of commercial competition. About 6 years ago our own Congress decided not to go into the SST-building business.

MR. LAU. Yes, I remember.

THE PRESIDENT. And the whole problem in our country is noise and environmental quality maintenance. Now, I might say one other thing. I think that the noise standards in our country are go-

ing to be stricter and stricter in the future, and not more and more lenient, and the same noise standards ought to apply to an airplane, whether it's a Concorde or a Lockheed or an airplane of some other kind, or any sort of American commercial plane.

So, I think we can establish strict environmental laws. I think they ought to apply to the SST flying, of course, at subsonic speeds, and our own commercial planes the same. But it is the environmental question that will exclude the Concorde, if it is excluded, and not any sort of animosity toward the French people. Nor is it any commercial competition between us and France on SST flights.

MR. LAU. Okay, Thank you, Mr. President.

MR. CRONKITE. The next call. Thank you, Mr. Lau.

Our next call is from Mrs. Ruby Hewitt of San Bernardino, California. Mrs. Hewitt?

MRS. HEWITT. Yes, good afternoon, President Carter.

THE PRESIDENT. Good afternoon, Mrs. Hewitt.

MRS. HEWITT. Thank you for giving this time to the American people to speak with you. It is indeed a privilege which we appreciate.

THE PRESIDENT. Thank you, ma'am.

CIVIL SERVICE EMPLOYEES

MRS. HEWITT. My question is why veterans and civil service retirees are given two cost of living a year but only one cost of living to social security retirees?

THE PRESIDENT. I don't know. I didn't realize that there was that difference, Mrs. Hewitt. That's the kind of question that I'm afraid I'll have to get an answer to, if there is an answer, and call you back about it Monday. I doubt if I will have

time to give the answer to you by the end of the program since we only have about 15 minutes to go. But I'll try to get the answer back to you.

MRS. HEWITT. May I say my brother's last wish was to be buried in Georgia in Bluffton. Noland Frisbee—he was in the service there, and he had written me many letters about Georgia and how lovely it was.

THE PRESIDENT. Thank you very much.

MRS. HEWITT. Beautiful people there.

THE PRESIDENT. Thank you so much. I might say in Plains, which is a tiny little town, we have a Hewitt family. Maybe they are kin to you and your brother.

MRS. HEWITT. No, my name was Frisbee before. It is Noland Frisbee. He is passed away now, but his request was to be buried in Bluffton where his family is now.

THE PRESIDENT. Very good. Thank you, ma'am.

MR. CRONKITE. Thank you, Mrs. Hewitt.

John Caldwell of Atlanta, Georgia, is on the phone, Mr. President. I'm advised he is 17 years old.

Mr. Caldwell?

MR. CALDWELL. Yes, good afternoon, President Carter.

THE PRESIDENT. How are you doing?

PRESIDENTIAL RETREATS

MR. CALDWELL. I am 17 years old. And I'd like to know, do you plan to make any other place than Plains, Georgia, your White House away from Washington?

THE PRESIDENT. No, sir.

MR. CALDWELL. Okay, thank you.

THE PRESIDENT. The only other place I anticipate going on a fairly regular basis, as I mentioned earlier in the program, is to Camp David, which is a place

for Presidents and has been used ever since Franklin Roosevelt was in office. But I don't intend to have several White Houses as has been the case in the past.

MR. CALDWELL. Yes, sir. Thank you very much.

MR. CRONKITE. Thank you, John Caldwell.

The next caller on the line is Miss Leslie Pfenninger, Lanham, Maryland, Mr. President.

Miss Pfenninger?

MISS PFENNINGER. Hello, President Carter. It's good to speak with you.

THE PRESIDENT. Thank you, Leslie.

CIVIL SERVICE EMPLOYMENT

MISS PFENNINGER. I'm a 1976 college graduate with a goal of working for Civil Service, and I've been working toward that goal since May. I might say it's a depressing effect to find the doors completely shut.

I'd like to know if the restrictions will be lifted to permit individuals like me to compete for jobs now only open to those currently in Civil Service or those of a reinstatement status.

THE PRESIDENT. Leslie, what is your profession or special training?

MISS PFENNINGER. I have a dual B.A. in psychology and sociology, and I also qualify as a statistician.

THE PRESIDENT. The best thing for me to do is to check on your particular case with the Civil Service and give you a call back this coming week about prospects for employment in the future. I presume that the Civil Service has a record of your application. Is that correct?

MISS PFENNINGER. Yes, sir, they do.

THE PRESIDENT. We'll be back in touch with you next week.

MISS PFENNINGER. Thank you, Mr. President.

THE PRESIDENT. Good luck.

MISS PFENNINGER. I hope you will continue this kind of direct contact with the public.

THE PRESIDENT. Good luck to you.

MR. CRONKITE. I bet, Miss Pfenninger, when they told you the best way to get a job is just knock on a lot of doors, they didn't ever suggest telephoning the President on a national call-in show, but it seems to work. You're going to get an answer from him.

Russ Wenz of Pittsburgh, Pennsylvania, is on the phone, Mr. President.

MR. WENZ. Good afternoon, Mr. President.

THE PRESIDENT. Russ, how are you doing?

MR. WENZ. Very well. I want to tell you you are doing a wonderful job, and I hope the Congress keeps you going.

THE PRESIDENT. Well, I think they will.

PUBLIC SPEAKING ENGAGEMENTS

MR. WENZ. I have a brief review and then a question. President Calvin Coolidge came to Granite Falls, Minnesota, on July 29, 1928, to dedicate the monument of Colonel William Caldwell. He was a Civil War hero. Last July the local American Legion Post there suggested to the mayor that they issue a proclamation, July 29 of each year as Annual Presidents Day.

On this day they are going to have a reaffirmation of our national unity, problems, and what we can do, and pride in the rededication of our national ideals and that sort of thing.

The question, Mr. President, is, would it be possible for you to accept an invitation from the Governor of Minnesota or Mayor Geller of Granite Falls to be the speaker of National President's Day?

THE PRESIDENT. Mr. Wenz, I doubt it. This first year I've tried to hold down as

much as possible any public speaking on my part. I really need to learn more about this job. And, as you know, I have got a very good partner up here from Minnesota—

MR. WENZ. Yes, indeed.

THE PRESIDENT.—who might be available. I can't speak for him. But Fritz Mondale might be a possibility. But I appreciate very much the invitation.

If they would write me a letter, we can give them an official answer on it. And also I appreciate the concept of reaffirming our patriotism in not only a national way but also a local way, as you all have done.

MR. WENZ. One of the things we would like to do is remind everyone that a number of men in their prime gave up their lives or were injured seriously, you know. That is why we have our freedom and independence.

It's nice talking to you, sir, and thank you, sir.

THE PRESIDENT. Good luck to you.

MR. CRONKITE. Thank you, Mr. Wenz.

And your next caller, Mr. President, is Mr. Kerry Kimble of Fulton, Missouri. Mr. Kimble?

WAR POWERS RESOLUTION

MR. KIMBLE. Yes. Mr. President, my question covers the war powers resolution. And do you feel that it infringes upon your power as Commander in Chief in the limiting or getting the approval from Congress to continue the use of American forces in a certain situation past the 60 days?

THE PRESIDENT. Mr. Kimble, it is a reduction, obviously, in the authority that the President has had prior to the Vietnam war. But I think it's an appropriate reduction. My own attitude toward government is that I would never see our

Nation approach a time of war with any sort of predictability about it without discussing it thoroughly and frequently with the Congress and also letting the American people know what is going on.

Although we did get involved in the Vietnam war, and even fought extensively in Cambodia without telling the American people, and sometimes lying to them, I would never have that inclination. So, I have no hesitancy about communicating with Congress, consulting with them and also letting the American people know what we do before we start any combat operation. And I think with that process we can minimize greatly the chances that we will get involved in combat anywhere in the world.

MR. KIMBLE. Sir, you would accept their approval for your actions on that?

THE PRESIDENT. Yes. There is, I think, a provision that in a time of crisis, where an unanticipated attack might be launched against our country's security, that I could act, but to continue any sort of military operation, I would have to get the Congress approval. I have no doubt that that is the right thing to do.

MR. CRONKITE. Thank you, Mr. Kimble.

The next call is from Mr. Johnnie Strickland of Fayetteville, North Carolina.

MR. STRICKLAND. Good afternoon, Mr. President.

THE PRESIDENT. Good afternoon.

PANAMA CANAL

MR. STRICKLAND. I am John Strickland from Fayetteville, North Carolina. And I want to thank you for this opportunity to talk with you, and I would like to know what your sentiments are on the Panama Canal 1904 treaty, and changing it.

THE PRESIDENT. Okay. It is good to hear from you, Mr. Strickland. My sister

lives in Fayetteville, as you may know. I am glad to answer your question.

We are now negotiating with Panama as effectively as we can. As you may or may not know, the treaty, signed when Theodore Roosevelt was President, gave Panama sovereignty over the Panama Canal Zone itself. It gave us control over the Panama Canal Zone as though we had sovereignty. So, we've always had a legal sharing of responsibility over the Panama Canal Zone.

As far as sovereignty is concerned, I don't have any hang-up about that. I would hope that after that—and expect that after the year 2000, that we would have an assured capacity or capability of our country with Panama guaranteeing that the Panama Canal would be open and of use to our own Nation and to other countries.

So, the subject of the negotiation now—it has been going on quite a while—is to phase out our military operations in the Panama Canal Zone, but to guarantee that even after the year 2000 that we would still be able to keep the Panama Canal open to the use of American and other ships.

MR. STRICKLAND. I understand, and I certainly hope that we are not too lenient, because we have lots of money invested in the Canal Zone. And I really think the Canal Zone belongs to us a whole lot more than most people think it does.

MR. CRONKITE. Thank you, Mr. Strickland.

And the next call comes from Miss Michelle Stanley of North Benton, Ohio, and Mr. President, Miss Stanley is 11 years old.

MISS STANLEY. Jimmy?

THE PRESIDENT. Hi, Michelle.

MISS STANLEY. Hi. I just called to thank you for sending me the invitation to your Inauguration.

THE PRESIDENT. Did you get a chance to come?

AMY CARTER

MISS STANLEY. No, I didn't, but I was just happy to get it. And I have another question. Why doesn't Amy go to a private school?

THE PRESIDENT. Well, I hope sometime perhaps, Michelle, you can come and visit with Amy.

MISS STANLEY. Sure.

THE PRESIDENT. She goes to the public school and did in Georgia when we lived there as well. She enjoys it very much, and I have a very strong commitment to the public school system and don't have anything against the private school system. But I think it helps the public schools in Washington, D.C., to have the President's daughter go there. And it indicates to other parents that I have confidence in the public school system all over the country.

Amy goes to school with children, I think, from 26 foreign nations as well as our own country. And so far she likes the school very much.

So, because of my commitment to the public school and because Amy likes it, those are the reasons, Michelle. Good luck to you.

OTTAWA INDIAN LAND SALE

I might say, Walter, that I've got an answer to Mrs. John Ritchey's question about the payment for the Ottawa Indians' lands. This bill has already been signed into law. And there are \$10.2 million to be distributed to the members of the Ottawa tribe. The Department of Interior is right now writing rules for the distribution of the funds, and by late summer of this year, the money will be distributed. So, that ought to be good news to Mrs. John Ritchey of Georgetown, Kentucky.

MR. CRONKITE. Mr. President, you got the answer there for her just in time because we have just about run out of time. I am just curious, Mr. President, before we close this off today, what you thought of the questions you got in this first experiment in meeting the people through a telephone call-in broadcast.

THE PRESIDENT. Walter, I liked it. The questions that come in from people all over the country are the kind that you would never get in a press conference. The news people would never raise them, like the Ottawa Indian question. And I think it's very good for me to understand directly from the American people what they are concerned about and questions that have never been asked of me and reported through the news media.

So, my inclination would be to do this again in the future. And I'll wait and see how the American people react to it, to see whether or not I have done a good job to make it worth their while.

But I want to thank you for being here with me this afternoon. The 2 hours passed very quickly, and I've enjoyed it and learned a lot from it.

MR. CRONKITE. I think they did, indeed, and we'd be glad to sign you up again, Mr. President.

THE PRESIDENT. Good deal.

MR. CRONKITE. We have run out of time. We thank you for your time and the cooperation of your entire staff in making this broadcast possible.

We regret such a small number of those who wanted to talk with you actually did call in, and many of you who did call and didn't get through to the President, we apologize for that.

Our special thanks to all of you who were interested in this new broadcast idea and for President Carter and me in the Oval Office of the White House, good afternoon.

I am Walter Cronkite, CBS News.

NOTE: The program began at 2 p.m. It was videotaped for television broadcast at 5 p.m. on the same day on the Public Broadcasting Service.

Earthquake in Romania

Letter to President Nicolae Ceausescu of Romania. March 5, 1977

Dear Mr. President:

I was distressed to learn of the extensive damage and suffering caused by yesterday's earthquake in Romania. My family and I, and the American people, share your nation's shock and sorrow. The United States stands ready to extend emergency assistance to ease the suffering of those who were injured or made homeless by this tragic event.

Sincerely,

JIMMY CARTER

Department of State

Nomination of Patricia M. Derian To Be Coordinator for Human Rights and Humanitarian Affairs. March 5, 1977

The President today announced that he will nominate Patricia M. Derian to be Coordinator for Human Rights and Humanitarian Affairs in the Department of State. Ms. Derian was a deputy director of the Carter-Mondale campaign and worked on the Carter-Mondale transition team with the HEW policy planning group.

She was born in New York and grew up in Virginia. She is a 1952 graduate of the University of Virginia School of Nursing. During the 1960's Ms. Derian worked in Mississippi on school desegre-

gation and other aspects of the civil rights movement. She was elected a Democratic national committeewoman from Mississippi in 1968.

She is a member of the executive committee of the American Civil Liberties Union and is president of the Southern Regional Council. She is on the steering committee for the National Prison Project and is a member of the Center for Community Justice. She now resides in Virginia.

Children's Hospital National Medical Center

Remarks at the Dedication Ceremony. March 6, 1977

I think it's very significant to point out that several Presidents and several different Congresses, that many private contributors have been involved in the evolution of this tremendous new health care center. I'm proud of it.

It has been a subject of some criticism because of its cost. But I think we have to remember that this is the center of our government, and that what does occur here in 1977 and in the year 2000 can very well set a standard of care and love for children that will permeate the consciousness of doctors and nurses and parents, teachers and social workers throughout our country and, perhaps, even throughout the world.

I grew up in a home in a rural area of Georgia, but my mother was a registered nurse. And I and the other children in that country community had good health care, not just from her but because there was a heavy emphasis on the prevention of disease, on inoculations, and on a constant relationship with a large number of medical doctors who lived there then.

We've let those standards of prevention emphasis deteriorate over the last few decades. Recently, Joe Califano, who is the new head of the Health, Education, and Welfare Department, was talking about this. And we decided to increase the emphasis placed on the health care for children.

In the past, the Federal Government has paid 50 percent of the cost of identifying young children who need health care, and we had very slight response. So, we decided in this next budget to increase that to 75 percent, hoping that in this way, within the school environment, within the outpatient clinics, within the county health centers, that we could identify children who perhaps have not had the good fortune that many of your children and my child has had, and might have potential problems observed and corrected before they reach their formative years of life.

This tremendous new Children's Hospital is designed to do several things. One is to treat those children who have severe health problems, particularly cardiac patients at a young age, below 18 or so. Ninety percent of those kinds of patients in the whole metropolitan area are likely to be treated here. And one-third of all the children in the metropolitan area of Washington will be treated here.

A great deal of thought has gone into the design of this hospital to try to predict what the future might hold in energy conservation, health care, and in the use of brief periods of stay within a hospital environment for those who are quite ill.

Another new or innovative change that has been made in the design is that there is a special place in every instance for the parent of a child to stay here with that child while the severe illness has not been corrected. So, adjacent to each child's bed there is a place for the parent to stay.

This hospital, I believe, is associated with George Washington University and its medical center. And it's close enough so that Federal officials, as well, can both teach, try new ideas, and learn. We, I think, can receive rich benefits from this center. And I believe that we can set a standard for the whole country.

I know how much I love my own children. Just a few minutes ago, Amy and I were out in the front yard of the White House designing a treehouse that's going to be built for Amy, and it is one of those many instances that I have to be close to her. And I know that when she does get ill in the future, I want her to have good health care.

But I'm just as interested in a child who lives in the oldest and most dilapidated apartment house in the District of Columbia. And I'm also interested in the children that live in Atlanta, Georgia, Detroit, or who live in other parts of our country.

So, I'm here to represent the Government, which quite often makes mistakes, but which I hope always retains a heart, attuned to loving care for those who are able to care for themselves, yes, but for primarily those whose care would be neglected if those who do occupy major political positions in the Congress and in the White House didn't care for everyone.

This is a good day for us. And I hope that everyone who serves in this hospital or who comes here for treatment or whose family uses this facility will be blessed by it and will be inspired with a sense of compassion and understanding and brotherhood and love, to keep illness away from our children and to correct those who are afflicted with disease.

I want to congratulate those who have come before me who had the foresight to understand the need for this facility. And

I think that every family who does live in that dilapidated apartment dwelling can breathe a little easier knowing that if their children are sick that poverty or despair will not prevent their child from getting just as good medical treatment as the little daughter of the President of the United States.

That's what's good about a system of government such as ours. We've got a long way to go in the field of health care, but this is a major step forward. And I'm very proud of what has been done and look forward with a great deal of determination to earn, as President, working with all of you, the medal that has been struck and presented to me and Rosalynn.

It will go in the White House museum or in the Archives. And I hope it will be a reminder in generations to come of the concern that many of you have had long before I was elected President at these tiny but precious emblems of concern in the greatest country on Earth—the children that we care so much about.

Thank you again. I'm proud to be part of this great ceremony.

NOTE: The President spoke at 3:05 p.m. in the center court of the new hospital. Prior to his remarks, the President and Mrs. Carter were presented with a gold medallion, struck in honor of the occasion by the governing board of the hospital. The President accepted the medal on behalf of the American people, who financed the Center through private donations and Federal grants and loans.

Visit of Prime Minister Yitzhak Rabin of Israel

*Remarks of the President and the Prime
Minister at the Welcoming Ceremony.
March 7, 1977*

THE PRESIDENT. I'd like to say first of all that I am very deeply grateful to

welcome back to our country an old friend of mine and a long-time friend of the United States—Prime Minister Rabin from Israel.

We've had two foreign visitors already. This is a different kind of visit. This is going to be a series of working sessions. Because of the crucial nature of problems that face the Middle East and the close historic ties between Israel and the United States, we've decided to minimize the amount of time spent in ceremony. We will have a meeting tonight at a banquet, but it will be a working banquet.

And I believe that this is the kind of interrelationship that will demonstrate to the world the seriousness with which we address our problems in the Middle East, our commitment to Israel, our long-standing friendship, our sharing of democratic principles and human liberty, and our constant search for peace.

As many of you may know, in the Six-Day War in Israel a number of years ago, the strategist and the tactician and the commander was Prime Minister Rabin. Later, he was ambassador to our country.

And while I was Governor of Georgia, he and his wife visited me in Atlanta. He had political aspirations then, I imagine, in the back of his mind. His success in politics was much more rapid than I have achieved. When I went to Israel not too long ago, he came back from Africa to meet with me and to explain to me in a 2- or 3-hour session in my hotel room some of the inner workings and hidden mechanism of the Israeli political structure. I didn't realize then how well he understood them because shortly afterwards he became the Prime Minister of that great country. Later, I've now become President of our country.

But I think this long-standing relationship with him and a personal knowledge of him and his deep commitment to peace

in a courageous way will stand us in good stead as we explore the future of our two countries.

Recently, Secretary of State Vance took a trip to the Middle East, began his trip with a long conversation with Prime Minister Rabin and his Cabinet, members of the Knesset, other leaders of Israel, and then, subsequently, went to meet with the leaders of other countries in the Middle East to try to explore some common ground for future permanent peace there, so that Israel might have defensible borders so that the peace commitments would never be violated, and that could be a sense of security about this young country in the future.

I can't think of any two nations on Earth that more narrowly focus deep commitments on a common way for the principles of government based on mutual background, the present considerations on a common basis, and in the future a mutual commitment.

This is a time of great joy for me to have Prime Minister Rabin and his wife, Lea, come to visit us. And I believe that the next 2 days of discussions between myself and him, his leaders and ours, the Cabinet-level officers and the leaders of Congress and the private community, will be very fruitful.

Nineteen seventy-seven is a year that might very well bring a major step forward toward ultimate and permanent peace. And to a great degree, the success of this year's negotiations and hopes rest on the shoulders of a man who, in the past, has demonstrated his capability of dealing with complicated problems in a frank and courageous fashion and who has a vision that is very closely compatible with the visions of the people of the United States.

So on behalf of our people, I welcome you back to our country, Mr. Rabin, and

would like very much to express our complete commitment to an even greater interrelationship on a common basis with the courageous citizens whom you represent in the great nation of Israel.

Thank you for coming. You are welcome here.

THE PRIME MINISTER. *Mr. President, Mrs. Carter:*

My wife and I deeply appreciate your personal welcome and your kind, warm words.

May I say it is always a pleasure to me to be back in Washington and to see around me so many friends. I wish particularly to thank you, Mr. President, for the kind invitation that brings me here today.

Your hospitality enables me to convey in a most personal manner, the best wishes, the friendship, and the esteem of the people and the Government of Israel, to you, Mr. President, and to the great people you represent.

Democratic Israel stands with you in your endeavor to foster peace and human rights within the family of nations. From this platform, let me say to you, Mr. President, that Israel shall continue to work tirelessly for the peace and welfare of our region, strengthened and encouraged by the special relationship that has long marked the ties between our two peoples.

Let me emphasize to you, Mr. President, that I have come from Jerusalem, the City of Peace, with a sense of dedication to build a structure of peace between Israel and our neighbors. Peace is our highest aspiration. It is towards this end that Israel commits all its energies; for peace is the essence of the heritage we share and the goal of policy we pursue. It is a heritage as old, as eternal, and as living as the Bible.

Everything our people stand for, everything we believe in derives from the Biblical definition of what is right and good. In the words of Solomon in the Book of Proverbs, "Righteousness exalts a nation."

It has been the moral standing of America that induces help among millions longing for a better, a more decent, and a more peaceful world. It is the understanding and support which America has throughout displayed for the security and welfare of my own nation that moves me now to express to you and through you to the American people our deepest gratitude.

Mr. President, I come knowing that our aspirations and goals are one. It is in this spirit that I look forward to our forthcoming talks, and it is in this very same spirit that I bring to you from Jerusalem our sincere greetings of *shalom*.

THE PRESIDENT. Thank you very much.

NOTE: The President spoke at 10:35 a.m. on the South Lawn of the White House.

Department of Agriculture

**Nomination of Carol Tucker Foreman
To Be an Assistant Secretary. March 7, 1977**

The President today announced that he will nominate Carol Tucker Foreman to be an Assistant Secretary of Agriculture (Food and Consumer Services). Ms. Foreman is executive director of the Consumer Federation of America.

She was born May 3, 1938, in Little Rock, Ark. She received an A.B. degree from Washington University in St. Louis in 1960 and has done graduate work at American University in Washington.

In 1961 Ms. Foreman worked as a research assistant for the Permanent Investigations Subcommittee of the U.S. Senate Government Operations Commit-

tee. From 1961 to 1963, she was an associate in Federal Counsel Associates and represented the Metals Committee of the New York Commodity Exchange.

Ms. Foreman taught American government and U.S. history at William Woods College in Fulton, Mo., in 1963-64. In 1965 she worked as a writer-researcher for National Educational Television.

From 1965 to 1966, she was director of research and publications for the Democratic National Committee and editor of "The Democrat." She served as a congressional liaison aide for the Department of Housing and Urban Development from 1966 to 1969.

Ms. Foreman was chief of information liaison for the Center for Family Planning Program Development of Planned Parenthood-World Population from 1969 to 1971. From 1971 to 1972, she was director of policy coordination for the Commission on Population Growth and the American Future.

From 1972 to 1973, she was executive director of the Citizens' Committee on Population and the American Future, a privately funded project to disseminate the findings and recommendations of the Commission on Population Growth and the American Future.

Since 1973 she has been executive director of the Consumer Federation of America and of the Paul Douglas Consumer Research Center, which is the education and research arm of the Consumer Federation of America.

She is a member of Women's Equity Action League and past president of its National Capital chapter. She was a member of the District of Columbia Commission on the Status of Women in 1973-74.

Ms. Foreman is married to Jay H. Foreman. They have two children and reside in the District of Columbia.

NOTE: On March 8, the President announced that he would nominate Ms. Foreman to be a member of the Board of Directors of the Commodity Credit Corporation.

Council on Environmental Quality

Nomination of James Gustave Speth To Be a Member. March 7, 1977

The President today announced that he will nominate James Gustave Speth to be a member of the Council on Environmental Quality. Speth is a cofounder and staff attorney for the Natural Resources Defense Council in Washington, D.C.

He was born in Orangeburg, S.C., on March 4, 1942. He received a B.A. degree from Yale University in 1964 and attended Balliol College, Oxford, England, on a Rhodes Scholarship, where he received a B.Litt. in economics. In 1969 he received an LL.B. degree from Yale Law School.

In 1969 and 1970, Speth was a law clerk to Justice Hugo L. Black of the U.S. Supreme Court. In 1970 he became cofounder and staff attorney for the Natural Resources Defense Council, where he has had principal responsibility for NRDC's litigation and educational programs in the areas of energy research and development, nuclear power, water pollution, stream channelization, and corporate responsibility.

Speth has had several articles on environmental subjects published in professional journals and has testified on these subjects before congressional committees and Government agencies. He was a

member of the steering committee for the environment section of the D.C. Bar, and a member of the legal ethics committee of the D.C. Bar in 1975-76. He was a member of the Subcommittee on Public Interest Law Firms of the Committee on Ethics and Grievances of the D.C. Bar in 1973 and a trustee of the Institute of Ecology from 1972 to 1974.

Speth is married to the former Cameron Council. They have three children and reside in the District of Columbia.

International Economic Summit Meeting

Designation of Henry Owen as the President's Personal Representative To Participate in Preparations. March 7, 1977

The President today announced that he will designate Henry Owen as his personal representative, with the personal rank of Ambassador, to participate in preparations for a summit meeting later this year.

Owen is director of foreign policy studies at the Brookings Institution, Washington, D.C.

He was born in New York City on August 26, 1920, and received an A.B. degree from Harvard University in 1941. From 1942 to 1946, he served in the United States Navy as a lieutenant.

Owen was a research economist for the State Department from 1946 to 1955, and a member of the Department's Policy Planning Staff from 1955 to 1962. From 1962 to 1966, he was deputy counselor and vice chairman of the Policy Planning Council, and in 1966 he was acting counselor and chairman of that Council.

Owen was chairman of the Policy Planning Council from 1966 until 1969, when

he became director of foreign policy studies at the Brookings Institution.

D.C. General Hospital Commission Act

***Announcement of the Decision Not To Take
Action on the Bill, With a Statement by the
President. March 7, 1977***

The White House said today that President Carter would take no action to overturn the D.C. General Hospital Commission Act, which provides for an independent panel to administer the D.C. General Hospital.

The act was passed by the D.C. City Council by a 12-to-2 vote, overriding a veto by Mayor Walter Washington.

Under the Home Rule Act, any legislation passed by the Council over a mayoral veto goes to the President for a decision.

The President had 30 days after receiving the legislation February 11 to sustain the mayor's veto or to take no action to show disapproval of the act.

The bill now goes to Congress for a review period of 30 legislative days.

Under the act, the city's only public hospital would be removed from administrative control of the D.C. Department of Human Resources and placed under the control of a board of commissioners appointed by the mayor with the advice and consent of the Council.

A statement by the President follows:

"The people of the District of Columbia share with the other people of our Nation a determination to improve such public services as health care and a desire to do so with the least possible interference from the Federal Government.

"The District is, of course, in a unique legal position. There are special responsibilities that I, as President, have for the District, and there may be cases involving

Federal interests or true emergencies where I may find it my proper duty to intervene.

"But I believe that the people of the District, through their elected representatives, can best decide for themselves such questions as the proper way to provide high-quality health care. Therefore, I will take no action on this bill."

President's Economic Policy Board

Executive Order 11975. March 7, 1977

ABOLISHING THE PRESIDENT'S ECONOMIC POLICY BOARD, AND FOR OTHER PURPOSES

By virtue of the authority vested in me by the Constitution and statutes of the United States of America, including the International Economic Policy Act of 1972, as amended (22 U.S.C. 2841 *et seq.*), and the Council on Wage and Price Stability Act (88 Stat. 750, 12 U.S.C. 1904 note), and as President of the United States of America, in order to permit a new designation of the Chairman of the Council on Wage and Price Stability and to abolish the Economic Policy Board, it is hereby ordered as follows:

SECTION 1. Executive Order No. 11808, as amended, is hereby revoked.

SEC. 2. The Secretary of the Treasury shall continue as Chairman of the Council on International Economic Policy (22 U.S.C. 2844 and 2848).

JIMMY CARTER

The White House,
March 7, 1977.

[Filed with the Office of the Federal Register,
4:40 p.m., March 8, 1977]

NOTE: The Executive order was not issued in the form of a White House press release.

Visit of Prime Minister Rabin of Israel

Toasts of the President and the Prime Minister at a Working Dinner for the Prime Minister. March 7, 1977

THE PRESIDENT. I think maybe something is expected of me. [*Laughter*]

First of all, I want to welcome all of you to the White House. When something occurs with which I'm not familiar, I call Ambassador Dinitz¹ and ask him, "What do I do next?" And he always tells me how my predecessors have performed, and what's expected as the next event on the program. And I think he was filling very large shoes when he took over as Ambassador himself.

I met Prime Minister Rabin for the first time when he came to Georgia. I was a new Governor, and he came down to pay his respects to me, along with his wife, Lea. And we had an instant friendship. I had the greatest possible admiration for him because, as a military man myself, I had studied the Six-Day War and recognized his superb courage and leadership in the major test of the military strength and deep personal commitment of the people who live in the heroic nation of Israel.

I have been proud of that friendship ever since. And when I went to Israel a few years ago, although Prime Minister Rabin was in temporary retirement from politics at that time, he was already making plans for the future. He didn't tell me about them. I was making plans for the future—I didn't tell him about them. [*Laughter*]

But I had spent 5 or 6 days driving around in Israel, learning about the country and learning about politics there, and had a whole series of questions that I

wanted to ask someone who was knowledgeable. And he was gracious enough to return to Tel Aviv a day or two early to meet with me, and we spent 2 or 3 hours talking about Israeli politics. I was fairly well impressed with his knowledge of the subject. I was even more impressed a few months later when he became Prime Minister. [*Laughter*] And since then, we've tried to stay in touch with one another.

As all of you assembled around this table know, there is a kinship between our Nation and Israel that's almost unique. Our principle of government is the same—a principle of commitment to individual human rights and to democracy in its purest form; a matter of pride in one's present and in one's past, and confidence about the future, even in times of trial and tribulation; and sharing of a religious heritage that, to me, is very significant.

I was particularly eager for Prime Minister Rabin to come to our country early in my own administration so that we could renew our friendship and to talk about the future. Many people in our own country have looked on our relationship with Israel as one of support and one of friendship that was to Israel's benefit. I have never looked on it that way. I consider it to be an equal partnership that's derived for our country and for the cause of freedom tremendous benefits for us. And this is a time of a sharing of plans for the future.

I had a chance this morning, along with some of you around the table, to discuss at length the possibilities in 1977 of helping to carve out for Israel and for Israel's neighbors a time of permanent peace, of mutual respect, of trade, better understanding, and of the acceptance of differences that in the past have been divisive. But, perhaps in the future, if our

¹ Israeli Ambassador Simcha Dinitz.

prayers are answered, those divisions might be eliminated.

We recognize that the responsibilities fall on the participants, themselves, in the negotiations that I hope might take place later on this year. And we will offer our good offices, if they are requested, in trying to reach some understanding and provide some common ground on which peace might come in a permanent fashion.

We understand very clearly in our own country—strong and powerful and secure—that security is important and is the essence of what Israel can expect from us and from the rest of the world—a recognition of their existence now and in the future.

I have a lot to learn as a new President. And I'll spend as much time as I can on this brief visit of Prime Minister Rabin, learning from him about the special yearnings in Israel for recognition and for peace in the future, and learning about the strengths and capabilities and needs of that great country.

I think it was about 29 years ago that Israel became a nation. And my understanding is that 12 minutes later, President Truman recognized Israel, and that recognition and that friendship has never wavered. And as long as I have any influence on our Government, and as long as these other gentlemen from our Government have any influence, that recognition and that strength and that friendship and that sense of mutual purpose will never waver.

I'd like to propose a toast to the brave and courageous leader of a brave and courageous country—our friend, the people of Israel—Prime Minister Rabin.

THE PRIME MINISTER. *Mr. President, distinguished Members of the Senate and the House of Representatives, members*

of the administration, my colleagues from Israel:

I would like to thank you, Mr. President, very much for your kind words, for your kind invitation, for the time that you have spent with me and the attention that you have paid for the problems that we have brought to you as the President of the United States, as the leader of the great democratic country of the world.

You mentioned our first meeting. I think it was in 1971. I don't know if you remember, but I remember what you did say then to me. You said that we started from a different beginning, and we reached in the opposite direction. You mentioned that I started by studying agriculture and became a soldier, and you started at the Academy, the Naval Academy, and became a farmer. [Laughter] Then, I didn't know that I would be a Prime Minister. I don't know if you knew that you would become President. [Laughter]

The second meeting, of course, was 3½ years ago, the middle of '73. I was a newcomer then to politics. Only then, I decided to enter politics. Before I left Israel, somebody asked me if I would go to meet President Carter to learn how to succeed quickly in the elections as a newcomer to politics. [Laughter]

But beyond all this, Mr. President, we in Israel appreciate, appreciate very much your understanding and the understanding of the United States towards Israel, towards what we represent, towards what we aspire to achieve. And I believe there is something unique in the relations between our two countries.

Sometimes I feel almost ashamed to mention the two countries together—over 220 million, the biggest, the largest, the strongest country on Earth, and a tiny, small Israel of 3½ million. But I believe that there are certain values, certain be-

liefs, certain heritage, certain faith, certain tradition that are beyond question of size. I believe that there is something that brings us together. It's the spirit of freedom, the belief in democracy, and the permanent search for peace and happiness.

I believe that only these values can explain the unique relationship that has been developed between our countries. Mr. President, you mentioned that with President Truman, the United States was the first country on Earth to recognize the independence of the Jewish people in its own country, in Israel. I don't believe it is just by sheer coincidence.

And since then, three decades almost, these relationships have been developed, have been strengthened, have, to my opinion, brought tranquillity and hope of better life and peace to the Middle East, not only to Israel—I believe to the region as a whole.

I'm sure that the understanding and the cooperation between our two countries is the basis and the hope for peace in the area. I'm sure that the talks that we have started today, and I'm sure that the understandings that will be reached, will serve and will help bring meaningful negotiations, agreements, and in the long run—let's hope shorter than long—bring peace to the area.

I've said to you, Mr. President, this morning, that it might be this is the first visit of a Prime Minister of Israel that has come to the United States without a shopping list, without the need to make imminent decision because of the pressure of events.

I believe that your initiative to start these talks and to invite me this time will allow us to build the kind of thinking and, I hope, also action with coordination with other leaders of the area that will bring

about an end to a long, futile war and will start a new beginning to Israel and to all the countries in that area.

We trust that you, and the United States under your leadership, will do whatever is possible on the one hand to pursue the course of peace, but at the same time, to make sure that Israel's strengths will allow it to defend itself, by itself, till peace will be achieved.

Allow me to raise my glass, Mr. President. To you, Mr. President, and to whatever you want to achieve for your country, for the welfare of the world and, I hope, for peace in the Middle East.

To the President.

NOTE: The President spoke at 8:40 p.m. in the State Dining Room at the White House.

Department of Justice

Nomination of Peter F. Flaherty To Be Deputy Attorney General. March 8, 1977

The President today announced that he will nominate Peter F. Flaherty to be Deputy Attorney General. Flaherty is currently mayor of Pittsburgh, Pa.

Flaherty was born June 25, 1924, in Pittsburgh. He received a J.D. degree, cum laude, from the University of Notre Dame in 1951. He received his M.P.A. degree from the University of Pittsburgh in 1967. He served in the United States Air Force from 1943 to 1946, when he was honorably discharged as a captain.

Flaherty engaged in the private practice of law in Pittsburgh from 1952 to 1957 and from 1964 to 1966. From 1957 to 1964, he served as an assistant district attorney for Allegheny County. He was a councilman for the city of Pittsburgh from 1966 until 1970, when he was elected mayor.

Flaherty is married to the former Nancy Houlihan. They have five children and reside in Pittsburgh.

He is married to the former Gudrun M. Mack. They have two sons and one daughter and reside in Tacoma, Wash.

Renegotiation Board

Designation of Goodwin Chase as Chairman. March 8, 1977

The President today announced the designation of Goodwin Chase to be Chairman of the Renegotiation Board. Chase is currently a member of the Board.

Chase retired as president of the Washington National Bank, Ellensburg, Wash., in 1957, when it merged into the National Bank of Washington. He became president and chairman of the board of the latter bank in 1959, and upon consolidation of the Pacific National Bank of Seattle with the National Bank of Washington in 1970, Chase became president of the resulting bank, the Pacific National Bank of Washington.

He was born on June 30, 1911, in Los Angeles, Calif. Chase attended the University of Southern California and the Institute of Economics of the Brookings Institution. From 1939 to 1956, he was vice president of the Washington National Bank, Ellensburg, Wash.

Chase has served as a regent of Pacific Lutheran University, chairman of the Washington Council of the National Council on Crime and Delinquency, a member of the Comptroller of the Currency's advisory committee, and as chairman of the Washington State Council on Higher Education. In 1971 he received the Lamplighter Award from the National Association for the Advancement of Colored People.

Agency for International Development

Nomination of John J. Gilligan To Be Administrator. March 8, 1977

The President today announced that he will nominate John J. Gilligan to be Administrator of the Agency for International Development. Gilligan served as Governor of Ohio from 1971 to 1975 and is currently president of John J. Gilligan Consultants.

He was born in Cincinnati, Ohio, on March 22, 1921. He received a B.A. degree from the University of Notre Dame in 1943 and an M.A. degree from the University of Cincinnati in 1947. Between 1942 and 1945, he served in the United States Navy as a lieutenant.

Gilligan was an instructor of literature at Xavier University from 1948 to 1953. In 1953 he was elected to the Cincinnati City Council, and was reelected five times. He was elected to Congress in 1964 and served as a member of the Committee on Interstate and Foreign Commerce.

In 1968 Gilligan was the Democratic candidate for the U.S. Senate from Ohio, and in 1970 he was elected Governor of Ohio.

In 1973 he served on the Mikulski Commission for the reform of the delegate selection process of the Democratic Party. At the 1976 Democratic National Convention, he was secretary of the platform committee.

Gilligan was appointed a fellow of the John F. Kennedy Institute of Politics at Harvard in 1969, and served an 18-month

appointment as a fellow at the Woodrow Wilson International Center for Scholars, Washington, D.C., in 1975–76.

He has also served as chairman of the Committee on National Priorities and Resources and is presently chairman of the National Democratic Forum.

Gilligan is married to the former Mary Kathryn Dixon. They have two sons and two daughters and one granddaughter. Their permanent residence is in Cincinnati, and they are currently residing in the District of Columbia.

Department of Commerce

Nomination of Charles L. Haslam To Be General Counsel. March 8, 1977

The President today announced that he will nominate Charles L. Haslam to be General Counsel of the Department of Commerce. Haslam is university counsel at Duke University in Durham, N.C.

Haslam was born on June 7, 1944, in Birmingham, Ala. He received an A.B. degree from Princeton University in 1965 and a J.D. degree from Duke University School of Law in 1969.

From 1969 to 1972, he served as an assistant professor at Virginia Polytechnic Institute and State University. He was associate counsel for the American Association of University Professors from 1972 until 1974, when he became university counsel at Duke.

Haslam is a member of the American Bar Association and the Bars of Florida and North Carolina. He is also a member of the American Society for International Law and the American Civil Liberties Union.

He resides in Chapel Hill, N.C.

Cancer Control Month, 1977

Proclamation 4490. March 8, 1977

By the President of the United States of America

A Proclamation

Approximately 385,000 of our people will die this year of cancer, one of our greatest unsolved medical problems. The economic cost of cancer is high, but its toll in terms of human suffering is far higher. Recognizing that—and that our efforts to overcome cancer must be aggressive and sustained—the United States has committed itself to the conquest of cancer as a national goal.

Our efforts have been rewarded. Every year we learn more about the causes of cancer, and about its prevention, diagnosis, treatment, and control. Our progress is largely due to the dedication of scientists and physicians throughout our Nation. But the fight against cancer also depends on the willingness of the American people to alter their eating, drinking, and smoking habits and to seek early and appropriate medical care.

In order to encourage public dedication to our national commitment to the control of cancer, the Congress, by a joint resolution of March 28, 1938 (52 Stat. 148, 36 U.S.C. 150), requested the President to issue annually a proclamation designating April as Cancer Control Month.

Now, THEREFORE, I, JIMMY CARTER, President of the United States of America, do hereby proclaim the month of April, 1977, as Cancer Control Month, and I invite the Governors of the several States and the Commonwealth of Puerto Rico, the Mayor of the District of Columbia, and the appropriate officials of all other

areas subject to the jurisdiction of the United States to issue similar proclamations.

I also urge the health and medical professions, educators, the communications media, and all other concerned individuals and organizations to join during this period of time in activities which are designed to impress upon the people of the Nation the importance of our continuing commitment to cancer control.

IN WITNESS WHEREOF, I have hereunto set my hand this eighth day of March, in the year of our Lord nineteen hundred seventy-seven, and of the Independence of the United States of America the two hundred and first.

JIMMY CARTER

[Filed with the Office of the Federal Register,
4:41 p.m., March 8, 1977]

Coal Mine Health and Safety

Message to the Congress Transmitting a Report of Health Activities Under the Federal Coal Mine Health and Safety Act of 1969. March 8, 1977

To the Congress of the United States:

I transmit herewith the Fifth Annual report on Health Activities of the Department of Health, Education, and Welfare (HEW) as required by the Federal Coal Mine Health and Safety Act of 1969.

I recommend that the statutory reporting requirement for this report be changed from once every year to once every three years. HEW staff resources and time could be better spent on more research rather than on the preparation of annual reports of largely repetitious material. Basic information in this field has been known for some time, and new findings develop only slowly and infrequently. All

of the information contained in this report is available to Congress during annual appropriations and oversight hearings, and HEW will inform Congress immediately of any scientific breakthroughs in the field.

JIMMY CARTER

The White House,
March 8, 1977.

NOTE: The message was not issued in the form of a White House press release.

Department of Agriculture

Nomination of John C. White To Be Deputy Secretary. March 9, 1977

The President today announced that he will nominate John C. White to be Deputy Secretary of Agriculture. White is presently Texas commissioner of agriculture.

White was born on November 28, 1924, on a tenant farm near Newport, in Clay County, Tex. He attended rural schools, and in 1946 he received a B.S. degree in agriculture from Texas Tech University.

For many years, he maintained a working interest in the family farm, purchased by his father with one of the first Farm Security Administration loans in 1937. He now operates a small cattle farm in central Texas.

Between 1947 and 1950, White was a teacher of veterans vocational agriculture in north central Texas, and then managed farms and taught agricultural courses at Midwestern University, Wichita Falls, Tex.

In 1950 White was elected Texas commissioner of agriculture, defeating a field of five candidates, including the incumbent, who had held the office for 20 years. He has since been reelected 13 times.

As agriculture commissioner in Texas, White was responsible for ongoing reorganization of the department, the first cooperative effort with Mexican officials on control of cotton insect pests, encouragement of State legislation for the registration and analysis of potentially hazardous agricultural chemicals, and the creation of a consumer protection and services division in the department. He also inaugurated the Texas Agricultural Projects (TAP) project, a worldwide marketing program.

White was a delegate to the Democratic National Conventions in 1960 and 1964. He served on the executive committee of the Democratic Charter Commission in 1974 and was chairman of the Texas delegation to the 1974 mini-convention.

In 1963 White headed the task force that negotiated the "chicken war" with the European Community under President Kennedy. He was President Johnson's representative to the Turkey and Yugoslavia Trade Conference in 1964. In 1967 he traveled to Vietnam as a special adviser with a program establishing a self-sustaining food production program for Southeast Asia.

White is married, and he and his wife have five children. They reside in Austin, Tex.

THE PRESIDENT'S NEWS CONFERENCE OF MARCH 9, 1977

THE PRESIDENT. Good morning. I have two brief statements to make, and then I'll be glad to answer questions.

YOUTH EMPLOYMENT PROGRAMS

I've sent to Congress this morning, a youth employment package which will

consist of about \$1½ billion, part of the economic stimulus package.

I've been particularly concerned in my own campaign trips around the country the last 2 years with the extraordinarily high unemployment rate among young people. More than half the total unemployed are less than 24 years old. And among those, say, from 16 to 19 years old, we have over 18-percent unemployment, and in some of the minority groups in urban areas more than 40 percent.

So, we're going to try a heavy concentration of effort in several of the major departments of Government to cut down unemployment among our young people. We have, for instance, a Youth Conservation Corps similar to what we had during the Depression years known as a Civilian Conservation Corps, the CCC. This will be administered by the Departments of Agriculture and Interior in the open spaces of our country.

We'll have a Youth Community Conservation Corps in the urban areas and a heavy emphasis on training for young people leading to employment. Including existing programs, this will be about a million jobs on a permanent basis plus another million jobs during the summer.

I hope that the Congress will act quickly on this proposal. I might say that many of the Members of Congress have been equally concerned and have done a great deal of work on this subject even before I became President.

FOREIGN TRAVEL RESTRICTIONS

The other item that I'd like to mention is one that's already been reported to some degree. I have long been concerned about our own Nation's stance in prohibiting American citizens to travel to foreign countries. We also are quite eagerly assessing our own Nation's policies that violate human rights as defined by the Helsinki agreement.

Later on this year we'll go to Belgrade to assess the component parts of the Helsinki agreement. And I want to be sure that we don't violate those rights. So I've instructed the Secretary of State to remove any travel restrictions on American citizens who want to go to Vietnam, to North Korea, to Cuba, and to Cambodia. And these restrictions will be lifted as of the 18th day of March.

I would like to point out that we still don't have diplomatic relationships with these countries. That's a doubtful prospect at this time. So, there will be some necessary precautions that ought to be taken by citizens who go there, since we don't have our own diplomats in those countries to protect them if they should have difficulty.

I'd be glad to answer any questions that you might have.

Ms. Thomas [Helen Thomas, United Press International].

QUESTIONS

HUMAN RIGHTS AND CHILE

Q. Mr. President, an American delegate to the U.N. Human Rights Commission has said that he believes and he hopes that his allegations concerning terror, suffering in Chile today, coincide with your human rights policy. Do they?

THE PRESIDENT. Well, I don't know which delegate this is or what his concerns are. But we are still concerned about deprivation of human rights in many of the countries of the world. I think Chile would be one of those where concern has been expressed. And I want to be sure that the American people understand that this is a very sensitive issue.

We've tried to be broad-based in our expression of concern and, also, responsible. At first, our policy was interpreted, I think, improperly, to deal exclusively with the Soviet Union.

I've just pointed out how our own country has been at fault in some instances. Torture has been reported to us from some of the nations of the world. We are presenting these items to the Congress as required by law. But throughout the entire world, in Latin America, in our own country, in the Communist nations in Eastern Europe, and in the Soviet Union, we are very much aware of the concern about human rights.

I think it's entirely appropriate for our own country to take the leadership role and let the world say that the focal point for the preservation and protection of human rights is in the United States of America. I'm proud of this. And I intend to adhere to it with the deepest possible personal commitment, and I believe I speak accurately for the American people on this subject.

Q. Well, then, does that mean, Mr. President, that you don't object to the remarks that were made by our delegate?

THE PRESIDENT. I think that the remarks made by the delegate concerning our past involvement in Chilean political affairs was inappropriate. I didn't know about it ahead of time. It was a personal expression of opinion by that delegate.

I think that the Church committee in the Senate has not found any evidence that the United States was involved in the overthrow of the Allende government in Chile. There were some allegations made, I think, perhaps accurate, that we did have financial aid and other—I think financial aid to be restrictive—to political elements in Chile that may have contributed to the change in government. But I don't think there has been any proof of illegalities there. And the statements made by our delegate were his own personal statements, not representing our Government's.

YOUTH EMPLOYMENT PROGRAMS

Q. Mr. President, I gather the youth employment program you just announced is in addition to your economic stimulus program. And I wondered how much money this adds to the deficit in the 2 upcoming fiscal years?

THE PRESIDENT. No, this is within the overall economic stimulus package already presented to the Congress.

THE MIDDLE EAST

Q. Mr. President, there has been a lot of talk about defensible borders lately and what that means in regard to the Middle East. Could I ask you, sir, do you feel that it would be appropriate in a Middle East peace settlement for the Israelis to keep some of the occupied land they took during the 1967 war in order to have secure borders?

THE PRESIDENT. The defensible border phrase, the secure borders phrase, obviously, are just semantics. I think it's a relatively significant development in the description of possible settlement in the Middle East to talk about these things as a distinction.

The recognized borders have to be mutual. The Arab nations, the Israeli nation, has to agree on permanent and recognized borders, where sovereignty is legal as mutually agreed. Defense lines may or may not conform in the foreseeable future to those legal borders. There may be extensions of Israeli defense capability beyond the permanent and recognized borders.

I think this distinction is one that is now recognized by Israeli leaders. The definition of borders on a geographical basis is one that remains to be determined. But I think that it is important for the world to begin to see, and for the interested parties to begin to see, that there can be a distinction between the two; the

ability of Israel to defend herself by international agreement or by the sometime placement of Israeli forces themselves or by monitoring stations, as has been the case in the Sinai, beyond the actual sovereignty borders as mutually agreed by Israel and her neighbors.

Q. Well, does that mean international zones between the countries?

THE PRESIDENT. International zones could very well be part of an agreement. And I think that I can see in a growing way, a step-by-step process where there might be a mutual agreement that the ultimate settlement, even including the border delineations, would be at a certain described point. In an interim state, maybe 2 years, 4 years, 8 years, or more, there would be a mutual demonstration of friendship and an end to the declaration or state of war.

I think that what Israel would like to have is what we would like to have: a termination of belligerence toward Israel by her neighbors, a recognition of Israel's right to exist, the right to exist in peace, the opening up of borders with free trade, tourist travel, cultural exchange between Israel and her neighbors; in other words, a stabilization of the situation in the Middle East without a constant threat to Israel's existence by her neighbors.

This would involve substantial withdrawal of Israel's present control over territories. Now, where that withdrawal might end, I don't know. I would guess it would be some minor adjustments in the 1967 borders. But that still remains to be negotiated.

But I think this is going to be a long, tedious process. We're going to mount a major effort in our own Government in 1977, to bring the parties to Geneva. Obviously, any agreement has to be between the parties concerned. We will act as an intermediary when our good offices will serve well.

But I'm not trying to predispose our own Nation's attitudes towards what might be the ultimate details of the agreement that can mean so much to world peace.

REPUBLIC OF KOREA

Q. At the risk of oversimplification, sir, I believe I understand during the campaign you proposed a gradual withdrawal of American troops from Korea.

THE PRESIDENT. Yes.

Q. Yet, after your revised budget went to Congress, the Army has gone to Congress and asked in fiscal 1978, for a doubling of military construction funds for Korea and in the 3 ensuing years, for more than \$110 million for similar construction. How does that square with your withdrawal plans?

THE PRESIDENT. My commitment to withdraw American ground troops from Korea has not changed. I'll be meeting this afternoon with the Foreign Minister of South Korea. This will be one of the matters that I will discuss.

I've also talked to General Vessey, who is in charge of our Armed Forces in South Korea. I think that the time period as I described in the campaign months, a 4- or 5-year time period, is appropriate. The schedule for withdrawal of American ground troops would have to be worked out very carefully with the South Korean Government. It would also have to be done with the full understanding and, perhaps, participation of Japan.

I would want to leave in place in South Korea, adequate ground forces owned by and controlled by the South Korean Government to protect themselves against any intrusion from North Korea. I would envision a continuation of American air cover for South Korea over a long period of time.

But these are the basic elements, and I'm very determined that over a period

of time, as described just then, that our ground troops would be withdrawn.

THE MIDDLE EAST

Q. Mr. President, I'd like to try to clarify the Israeli situation, if I might. A moment ago in answering the question, you spoke of the possibility of substantial withdrawal of Israeli control over territory and then, just a few seconds later, spoke of the possibility of minor territorial concessions by the Israelis.

What is it exactly that you have in mind here? Are you really talking about some big withdrawals, or are you talking only about minor withdrawals?

THE PRESIDENT. I don't think I would use the word minor withdrawals. I think there might be minor adjustments to the 1967, pre-1967 borders. But that's a matter for Israel and her neighbors to decide between themselves.

I believe that we will know by, I'd say, the middle of May, much more clearly the positions of the interested parties. I've not yet met nor talked to the leaders in Lebanon, Syria, Jordan, Egypt—Saudi Arabia, to a lesser direct participation degree.

I will meet with all these leaders between now and the middle of May. And I don't want to try to define in any specific terms the exact delineation of borders, but I think this is obviously one of the most serious problems.

There are three basic elements: One is an ultimate commitment to complete peace in the Middle East; second, border determinations which are highly controversial and not yet been defined by either side; and, third, dealing with the Palestinian question.

And I'm not trying to act as the one to lay down an ultimate settlement. I don't know what an ultimate settlement will be. But these matters will be freely and openly debated within our own country and with-

in the countries involved. And I think I've described as best I can my own position.

FEDERAL HOUSING AID

Q. Mr. President, the Department of Housing and Urban Development, if I read Secretary Harris correctly, seems to be moving towards a policy that would promote racial integration of the suburbs, namely, through the withholding of water and sewer and community development grants in communities that lack a positive commitment to low- and moderate-income housing. What are your views on this?

THE PRESIDENT. Well, this was a subject that was well discussed during the campaign, as you remember. I think that the 1975 Housing Act, I believe it was 1975, clearly describes a requirement that communities that request Federal help in establishing housing have to put forward a positive proposal to ensure a mixture of housing in the entire community without regard to race, and without regard to the economic level of the families involved.

This does not mean that every individual city block or suburban block has to have all different kinds of housing in it. It does mean that the overall package, as proposed to the Federal Government, has to provide for a wide distribution of housing opportunities for those in minority groups or those who have a low income.

And I believe that Secretary Harris' statement is compatible with that law requirement.

DISCLOSURE OF INTELLIGENCE INFORMATION

Q. Mr. President, last week in an interview you expressed concern about the disclosure of confidential and classified information. Admiral Turner, your choice to head the CIA, has said, I believe in testimony, that he would favor criminal

penalties for disclosure by Government officials of that type of information, but Vice President Mondale said he's opposed to it.

I wonder, sir, if you'd tell us where you stand on that issue and what, other than restricting access to classified information, you intend to do about this problem?

THE PRESIDENT. Well, my own interest would be to minimize the use of any criminal penalties for disclosure of information. There are other penalties that can be used without criminal charges, and I think that Vice President Mondale drew that distinction.

I don't know yet what procedure we will follow. My own hope would be that we could prevent the disclosure of intelligence information that might be damaging to our national security, rather than trying to control that problem by the imposition of legal criminal penalties.

Q. Could you elaborate on how you might prevent that, Mr. President?

THE PRESIDENT. Well, I think, first of all, is a tighter control over the number of people who have access to material that's highly sensitive, that might damage the relationship between our own country and our friends and allies. We've already initiated steps to that degree and we'll be pursuing it.

As you know, Admiral Turner has only recently been confirmed. He's just now getting his presence felt in the defense communities. I'll be going out to the CIA headquarters this afternoon to see the oath of office administered to him.

But we'll make sure that the public knows what new policies we impose. But the one that's easiest to describe, and also very difficult to do, is to make sure that we don't have too many people knowing about matters that they don't need to know and, also, that we can protect the legitimate confidentiality of agreements between ourselves and our allies.

Now, I would never permit anything that was either illegal or improper. And we've got a very good arrangement that was primarily set up by President Ford to prevent abuses. The Intelligence Oversight Board is made up of three distinguished men appointed by President Ford, who have complete access to any operation conducted by the intelligence forces.

Senator Inouye's committee in the Senate and, I think, six committees in the House also have access to this information. Of course, I'm monitoring it myself. And I think Admiral Turner's integrity is also a guarantee that there will be no future abuses.

But that doesn't mean that everything that we do in gathering intelligence on which our security might very well depend has to be revealed to the public. And drawing of that distinction is one that's my responsibility, and I think I can handle that.

PAUL WARNKE

Q. What effect in your mind, if any, is the extent of debate in the Senate over Mr. Warnke's qualifications to be the chief SALT negotiator going to have eventually on our negotiating position?

THE PRESIDENT. I don't believe that the exact vote in the Senate on Mr. Warnke's confirmation will have a major effect on future negotiations with the Soviet Union on SALT.

The obvious impression that concerns me is a demonstration of lack of confidence of the Senate in my own ability and attitudes as a chief negotiator. Obviously, as President, any decisions made with the Russians on reduction of atomic weapons would have to be approved by me.

I have promised the Joint Chiefs of Staff, who in the past perhaps have been bypassed in the process, that they will always know ahead of time what our posi-

tion will be at the negotiating table. I've not promised the Joint Chiefs of Staff that they would have the right to approve or disapprove every individual item in negotiations.

But I hope that the Senate will give Mr. Warnke a strong vote. I think many of the people that oppose Mr. Warnke just do not want to see any substantial reductions in atomic weapons, even though they are agreed to mutually by us and the Soviet Union or even if they are designed to reduce the threat of nuclear destruction of the world.

I feel very deeply that we ought to pursue with every possible means, an agreement with the Soviet Union for substantial reductions in atomic weapons. I think Mr. Warnke agrees; most of the Senators agree.

So, there are a wide range of reasons for not voting for Mr. Warnke. I have complete confidence in him. And I might say there is one more very significant guard against any error that I and Mr. Warnke and the Secretary of State and others might make. The Senate has to approve, by a two-thirds vote after complete open debate, any agreements signed with the Soviet Union. So, I think that the attacks on Mr. Warnke are primarily by those who don't want to see substantial reductions in nuclear weapons in the world.

RICHARD HELMS

Q. It is widely reported that a grand jury in Washington may be investigating Richard Helms, the former CIA Director, to see whether to move forward on a case. It is reported that perhaps the jury will want to see certain CIA documents. And I presume you would be the final arbiter. Have you been asked for those documents, and what will be your policy if you are asked for them in this case or any other case?

THE PRESIDENT. I have not been asked for any documents. And the Helms case has not come to my attention, either officially or even indirectly from any of the people involved.

Whether or not to proceed with the case will be the exclusive right of the Justice Department. The revelation of any documents that affect our national security will be my own judgment, in this or other cases.

I can't respond any further than that, because that's all I know about the subject.

Q. Mr. President, if I may say, sir, the problem, as you know, relates to, I guess, national security considerations on the one hand and the legal system and justice on the other. Given the recent history, I just wonder how closely you will weigh those two.

THE PRESIDENT. Well, the prosecution of the case has nothing to do with me; that will be a judgment made by the Justice Department. The actual revelation to a grand jury, or in case of a trial, if it should ever evolve, of confidential or secret material, would have to be judged by me.

Q. That would control, sir, would it not, whether the prosecution could go forward even if it chose?

THE PRESIDENT. It may or may not. At that point, the responsibility for making a judgment and the responsibility for the consequences of an inaccurate judgment, if it should occur, would be my own.

CIVIL DISORDERS

Q. Mr. President, in connection with your concern about human rights, a task force on terrorism and violence last week presented a report to Attorney General Bell regarding recommendations they had to make on how we should handle civil disorders should they occur again like

they did in the sixties. It's a 600-page report, funded—the study was funded—by the LEAA, and Attorney General Bell typified this as one of the good things the LEAA was doing.

Well, sir, in the report there are certain recommendations, such as the use of mass arrests, the use of preventive detention, some of the very things that were used in the sixties and later ruled inappropriate by the courts. And I wondered, sir, what you felt about this problem involving human rights in the United States?

THE PRESIDENT. I would be opposed to mass arrests, and I would be opposed to preventive detention as a general policy and even as a specific policy, unless it was an extreme case. Obviously, in a 600-page report there would be things with which we would agree and things with which we would disagree. I've not seen the report. I'm not familiar with it. But I think the abuses in the past have in many cases exacerbated the disharmonies that brought about demonstrations, and I think the arrest of large numbers of people without warrant or preventive detention is contrary to our own best system of government.

RICHARD HELMS

Q. Mr. President, to follow on Mr. Donaldson's [Sam Donaldson, ABC News] question on the Helms case, he asked you if documents have been requested.

THE PRESIDENT. They have not.

Q. You said they have not. Mr. Lipschutz, your general counsel, indicated to some reporters last week, however, that the matter of decision on release of information is in the White House, is in his office, and that would make it ultimately up to you.

Now, has the Justice Department not asked permission to declassify documents

that they may have gotten from other sources, from other departments of the Government in this case?

THE PRESIDENT. If they have asked for it, it has not come to my attention. I can't say that somewhere in the pipeline from the Justice Department, the State Department, the CIA, or even my own counsel, that requests have been made. But I have not been aware of them.

Q. Were questions concerning Mr. Lipshutz's statements communicated to you last Friday after some briefings in the White House?

THE PRESIDENT. I've not received any request from Mr. Lipshutz. Obviously, when something gets to the White House it takes time for them to staff it and give me the options I have to address and, since I'm not an attorney, to give me some opinion on the legalities of. But it has not come to my attention at all.

Q. You cannot say whether he has it in his office?

THE PRESIDENT. I do not know.

CORY MOORE

Q. Mr. President, I understand that you have agreed to speak on the telephone to the man in Ohio who is holding a police official hostage after he releases him. Are you concerned that this might be regarded as a precedent?

THE PRESIDENT. Yes, I am.

Q. What are the factors that you weighed in that regard?

THE PRESIDENT. The request was made to me to talk to Mr. Moore as a precondition for his releasing the police officer who now has been held about 24 hours. I replied that I would be glad to talk to Mr. Moore after the police officer was released.

It is perhaps a dangerous precedent to establish. I weighed that factor before I made my own decision. I understand that

Mr. Moore has promised to release the police officer after this news conference, regardless of any comments that I might make on it. And I hope that the police officer will be released. But if he should be released, I will talk to Mr. Moore.¹

THE MIDDLE EAST

Q. Mr. President, I'd like to go just a little bit further in your discussion of the defensible borders issue.

If I understood you correctly, you're talking about the possibility of something like an Israeli defense line along the Jordan River and perhaps at some point on the Sinai Desert and perhaps at some point on the Golan Heights, that would be defense forces but not legal borders.

Have I understood that correctly, that your feeling is that the Israelis are going to have to have some kind of defense forces along the Jordan River and in those other places?

THE PRESIDENT. Well, you added a great deal to what I said. In the first place, I didn't mention any particular parts of the geography around Israel. And I didn't confine the defense capability to Israeli forces. These might very well be international forces. It might very well be a line that's fairly broad, say, 20 kilometers or more, where demilitarization is guaranteed on both sides. It might very well consist of outposts, electronics or, perhaps, personnel outposts as were established in the Sinai region as a result of the Egypt and Israeli agreement.

I'm not going to try to get more specific in saying what will or will not be the case. But that is a possibility that might lead to the alleviation of tension there, and it's one about which I will be discuss-

¹ The White House later announced that the President spoke briefly with Cory Moore at 4:13 p.m., March 9.

ing this matter with the representatives from the Arab countries when they come.

BOILER FUELS

Q. Mr. President, Mr. Schlesinger recently told the Senate committee that your April 20th energy policy recommendations will emphasize a switch from oil and gas to coal, but he stopped short of saying that you will support mandatory exclusion of oil and gas as boiler fuel. What is your position on that?

THE PRESIDENT. We've not addressed that question yet. How to encourage, or perhaps even to force the end of wasting natural gas just for the generation of heat at central powerplant stations is something that we'll have to address. It may be done by legislation; it may be done by economic penalties; it may be done by an appeal to the stationary heat producers to shift on a patriotic basis. I can't yet say which of the proposals will be mandatory and which will be voluntary.

SALT NEGOTIATIONS

Q. On several occasions, Mr. President, you have spoken in terms of the U.S. being ready to move to a quick SALT agreement, omitting cruise missiles, Backfire bombers, if necessary. I'm wondering, sir, have you had any indication yet of Russian intentions on this subject?

THE PRESIDENT. The Soviet Union, so far as I know, still would like to include the cruise missile question in the present negotiations. They don't want to discuss Backfire bomber at all. And my hope has been and is that by the exclusion of both those controversial items, which will require long and tedious negotiations, that we might move to a rapid agreement at SALT II and immediately begin to discuss, for instance, the Backfire bombers, the cruise missiles in subsequent negotia-

tions. But I do not have any indication yet that the Soviets have changed their position on that issue.

Q. Mr. President, what about nuclear reductions?

THE PRESIDENT. Again, I think you have two approaches to the question.

I have proposed both directly and indirectly to the Soviet Union, publicly and privately, that we try to identify those items on which there is relatively close agreement—not completely yet, because details are very difficult on occasion. But I have, for instance, suggested that we forgo the opportunity to arm satellite bodies and also to forgo the opportunity to destroy observation satellites.

We've also proposed that the Indian Ocean be completely demilitarized, that a comprehensive test ban be put into effect, that prior notification of test missile launchings be exchanged. And I would like to see any of these items on which the Soviets will agree quickly, be concluded, and then get down to the much more difficult negotiations on much more drastic, overall commitments to atomic weapons, leading ultimately to the complete elimination of atomic weapons from the face of the Earth.

This is going to be a long, slow, tedious process. But I think if we and the Soviets could agree on the easier items—and none of them are very easy—quickly, it would show good faith. I think it would let the world know that we are serious in stopping once and for all what has been a continuous and rapid escalation in atomic weapon capabilities since they were first evolved.

FRANK CORMIER [Associated Press]. Thank you, Mr. President.

THE PRESIDENT. Thank you very much.

NOTE: President Carter's third news conference began at 10 a.m. in Room 450 of the Old Executive Office Building. It was broadcast live on radio and television.

Youth Employment Programs

Message to the Congress Outlining Programs as Part of the Economic Recovery Package. March 9, 1977

To the Congress of the United States:

As part of the economic recovery package I sent to Congress on January 31, I requested \$1.5 billion, to be spent over an 18-month period, for new youth unemployment programs.

This reflected my concern about continued high unemployment rates among our young people. Unemployment for those between the ages of 16 and 19 is now 18.5 percent, and a total of 3.4 million people aged 16 to 24 are out of work.

Today I wish to outline the programs we intend to begin as soon as these funds are made available. They include proposals developed in the Congress. Under the wide discretion granted by Title III of CETA, we are able to begin these programs without additional legislation. But because I believe that full Congressional participation is essential for projects of this magnitude, I will soon present to the Congress my request for specific authorizing legislation.

Although a wide variety of agencies have programs for unemployed youth, most are carried out by the Department of Labor. During Fiscal Year 1976, some two million young people took part in programs under the Comprehensive Employment and Training Act. These included:

- 160,000 in public service jobs
- 500,000 in work experience programs
- 200,000 in on-the-job and classroom training programs
- 40,000 in the Job Corps
- 1,135,000 in the Summer Neighborhood Youth Corps programs.

We are recommending two changes in these ongoing efforts:

First, an increase of \$342 million for the Job Corps, which will double the program, and

Second, a one-year extension of the Comprehensive Employment and Training Act, which was made law in 1973 and expires this year. CETA established a new system under which states and local communities are responsible for planning and operating their own employment and training programs. I have asked the Congress for this one-year extension to give us time to review the program and consider what steps would make it most responsive to the problems of the unemployed.

Beyond these changes, we must take a broad look at Federally-funded employment and training programs for our young people. My Administration is now proposing three new initiatives, developed in consultation with Congressional leaders, which we can begin under current legislative authority but for which we will seek a specific legislative mandate.

First—A National Youth Conservation Corps, similar to the Civilian Conservation Corps of the 1930's. This would be administered by the Department of Labor through agreements with the Agriculture and Interior Departments and on State park and forestry lands. The Youth Conservation Centers would employ young Americans aged 16 to 24 in conservation programs and in the maintenance and improvement of public parks, forests and recreation areas. We plan to spend \$350 million over the next 18 months for 35,000 jobs under this plan.

Second—Youth Community Conservation and Improvement Projects, developed by State and local government would employ those aged 16 to 19 in well-planned, well-supervised projects of obvious local benefit. Funds would be available for needed supplies and equipment.

Projects would include improving neighborhoods and communities and maintaining and restoring natural resources on publicly owned land. Rural as well as urban governments would be eligible; both would submit applications to the Department of Labor through the CETA system. We would concentrate these projects where the need was greatest, but they would be open to all unemployed youth. Between now and October of 1979 [1978] we plan to spend a total of \$250 million for 30,000 jobs.

Third—Comprehensive Youth, Employment and Training Programs, through the CETA system to enlist a full range of employment services in states and local communities to provide young people with jobs and training.

As with our current CETA program community-based organizations and other local agencies would be eligible to operate job programs.

This plan would be aimed at disadvantaged or low-income Americans between the ages of 16 and 21 who are out of school and out of work.

Half the funds would be allocated to the 466 prime sponsors under the CETA system. The allocation formula would be based on the unemployment rate and proportion of poor people in each area.

The other half of these funds would be used by the Secretary of Labor to encourage innovative and experimental programs. Three-quarters of the money would be spent through the CETA system on the basis of applications to the Secretary. These applications would be judged by the standards of local need, program quality, and the prime sponsor's record. The Secretary would use the rest of the money to carry out and test innovative projects.

We are planning to spend \$900 million for 138,000 such jobs.

While implementation can proceed promptly under the existing authority of Title III of CETA by April 1 of this year I will submit to the Congress a new title to the Comprehensive Employment and Training Act, embodying these three new youth initiatives. In developing this legislation I have directed the Secretary of Labor to work with interested members of Congress and the public.

In March 1933 in a message to Congress proposing the Civilian Conservation Corps, President Roosevelt said: "It (the C.C.C.) will conserve our precious natural resources. It will pay dividends to the present and future generations. . . . We can eliminate to some extent at least the threat that enforced idleness brings to spiritual and moral stability. It is not a panacea for all the unemployment but it is an essential step . . ."

It is in that spirit that I send this message to Congress on our youth employment programs.

JIMMY CARTER

The White House,
March 9, 1977.

Director of Central Intelligence

Remarks at the Swearing In of Admiral Stansfield Turner. March 9, 1977

A long time ago at the Naval Academy, I shared the responsibility of being a midshipman with Stan Turner. I didn't know him personally; rather, I knew him but he didn't know me. [Laughter] He was the leader of our class. He was superlative in everything he did—in athletics and military bearing and leadership capabilities and academics. He was a source

of so much admiration among his classmates that there was not a competitive feeling nor was there one of jealousy. He was superb.

Later, he tried for a Rhodes Scholarship. So did I. He was selected by the committee; I was not. [*Laughter*] I might say, the committee made the right decision.

Not too long ago I was faced with the responsibility of choosing a new Director for a community that has been investigated and perhaps damaged by revelation of past mistakes; a community that inherently is divided but which shares a common responsibility and a common purpose; a community that must face the most difficult possible conflicts between openness and frankness and public scrutiny inherent in the principles of a democracy, with the mandatory requirements for confidentiality in the collection of crucial intelligence information in relationship with our allies and friends throughout the world.

I was faced with the responsibility of choosing someone who could deal with these complications. And when I decided to ask Stan Turner to be the Director of Central Intelligence, I did it with a sense of relief, a sense of sure judgment, and a sense of confidence.

I believe that in the coming months there can be some basic and necessary changes, most of which have been pointed out to me by the highly professional men and women who serve in the intelligence community in the most enlightened and proper and dedicated way. There must be a closer relationship between the customers, like the President of the United States and the Secretary of Defense and the Secretary of State and the Congress, who receive analyses of intelligence information on the one hand, and those

who search out the details in thousands of places around the globe, to put together advice on which the very existence of our country must depend.

So, I would like to see in the future the establishment of priorities and tasks to be described much more clearly by the customers, those of us who must have accurate information and the right kind of information.

I will do all I can, working with past Directors, who are here, and the Secretary of Defense, who is here, and the Attorney General, who is here, and other leaders, who are here, to let the American people have an accurate assessment and the deepest possible commitment that every action of the intelligence community now and in the future will be legal and proper.

I've just met with some of the leaders of all of the seven or eight or nine agencies that are involved in this collective effort. And I've told them that as President I know that I am going to make mistakes. I know that within the broad and sprawling and sometimes confused entity that must be an intelligence community that mistakes are going to be made. But when they are made, when any impropriety or illegality does occur, I want to know about it immediately because a concealment of a mistake and its subsequent revelation will be a devastating additional blow that is not necessary to the esteem and integrity that all of you so richly deserve.

I have got a lot to learn as a new President, and we must reassess constantly the kind of information that is derived and how it is presented to me and the proper placement of priorities in the assignment of personnel and financial effort in different parts of the world.

There must be a constant and a clear delineation of responsibility between the

FBI and the intelligence agencies so that we can do what is legal again. We must narrowly define which people need to know sensitive information so that we can let those who need information have it, but not overly spread potentially damaging information, if revealed, among those who might reveal it inadvertently.

We also must decide how to distinguish between useful information to a recipient and the techniques or sources of that information which a recipient does not need, but which, if revealed, might sever the friendship between ourselves and other nations or cause danger or loss of life to those who are helping to serve us in the collection of information.

This is such an extremely complicated effort, that I have been impressed with the need for superb leadership. I have no doubt that Admiral Stansfield Turner can provide that leadership. He needs your help and he needs my help, and those with whom he works need the support and confidence of the American people. His own integrity is the surest guarantee that no future abuses will embarrass us.

And I know that all of you share with me the deepest appreciation to him for being willing to undertake this enormous task. And I think the good groundwork that has been laid by Dr. Jim Schlesinger and by George Bush, who are in front of me, and other leaders, will be a rich opportunity for him to make even better progress in the future.

So, to all those men and women who have served in the past and who serve now to help protect our Nation's security, I say thank you. And to Stan Turner, who will be your leader and my closest possible associate in the future, I say again, thank you.

I am part of your effort and you are part of mine. And to the extent that we can share this partnership, we can carve out for our Nation and perhaps even the world, a clearer sense of what peace might be and a more sure realization of that peace which is the goal of us all.

Thank you very much for letting me participate in this fine ceremony.

NOTE: The President spoke at 2:38 p.m. at the Central Intelligence Agency in Langley, Va. Prior to the ceremony he attended a briefing in the Agency's main building.

Budget Rescission and Deferrals

Message to the Congress. March 9, 1977

To the Congress of the United States:

In accordance with the Impoundment Control Act of 1974, I am withdrawing one previously proposed rescission and reporting revisions to three deferrals previously transmitted.

The withdrawal is for the business loan and investment fund of the Small Business Administration. Two of the revised deferrals are increases which relate to programs in the Department of Defense while the third reflects a decrease in a Department of Transportation deferral. The combined effect of these revisions is to increase the amount deferred by \$27.7 million.

The details of the rescission withdrawal and each deferral are contained in the attached reports.

JIMMY CARTER

The White House,
March 9, 1977.

NOTE: The message was not issued in the form of a White House press release.

The attachments detailing the rescission and revisions to deferrals is printed in the *FEDERAL REGISTER* of March 16, 1977.

Visit of Prime Minister James Callaghan of Great Britain

*Remarks of the President and the
Prime Minister at the Welcoming
Ceremony. March 10, 1977*

THE PRESIDENT. It is with a great deal of pleasure personally, and on behalf of the American people, that we welcome to our country and to our National Capital our good friends from the United Kingdom, Prime Minister Callaghan and his wife, Audrey.

I think it is not an exaggeration to say, nor is it any reflection on our other friends and allies to say, that we enjoy a special relationship with Great Britain, with the other countries of the United Kingdom. They are our closest allies and friends. We share security agreements with them, trade agreements with them, that are not shared with any other country.

There has been an intimate relationship for decades and generations with the people of Great Britain that has carved out between us an unshakeable friendship and mutual commitment.

We are honored today to have the Prime Minister with us because of his superb leadership capability, demonstrated in having held the three highest positions in the Government of Great Britain, even before he became Prime Minister.

He also comes here with a special honor, paid to him by the other nations of the European Community. He is the President of the European Community, and in my own discussions with him today and tomorrow and tonight, we will be talking about matters that are bilateral in nature, that involve our security based on the NATO interrelationships, and also

he will represent the European Community itself, nine nations, there.

We have just celebrated last year our 200th birthday, and the people of the entire United Kingdom participated in an extraordinary degree in helping us reconfirm our commitments to the essence of the American spirit.

This is a silver jubilee for Great Britain, for the United Kingdom, and we will be honoring the Queen, who has served so well over the last 25 years.

There has not been a visit by an American President to Great Britain since, I believe, 1970. But because of our own interest in strengthening ties and because of the leadership capabilities of Prime Minister Callaghan, I and the leaders of several other nations will assemble in London in May to talk about matters of great mutual interest. I look forward to going back to my own mother country. Although we have people in our Nation from many, many nations, I think that all of us recognize that, historically and politically, Great Britain is still America's mother country.

So, I look forward to going to London in May. I am very grateful to have Prime Minister Callaghan come here. I look forward tonight to a banquet. I am going to ask the Prime Minister and the Vice President to sing a duet for us as they did when the Vice President visited London not too long ago.

And I think that this combination of very serious security matters, very important economic matters, a spirit of historical friendship and, also, personal friendship, will exemplify this visit of our most distinguished visitor.

Thank you very much.

THE PRIME MINISTER. *Mr. President and Mrs. Carter:*

Thank you very much indeed for your very warm welcome this morning and for your very kindly words and for the weather, if I may say so, too.

I am very grateful to you for what you said. I am not sure it is all true about me, but it is certainly true that I have held all the major offices. But I feel a little like the French aristocrat after the revolution who was asked what he did. And he said, "I survived." And I have got a feeling that in politics, to survive is probably the most you can hope for. You can influence events a little, but that is about it.

At any rate, I always arrive here, Mr. President, as you well know, with a very keen sense of anticipation for the discussions that we have and, on this occasion, it is especially invigorating to be here at the beginning of your new administration.

Now you know, sir, as I know, that the friendship between our two countries embraces all parties and all administrations on both sides of the Atlantic, whatever they may be. But nevertheless, in renewing the bonds of friendship—and I hope, sir, that you and I will be able to strike up a personal friendship—let me say that I do so with a particular sense of excitement, an excitement of sharing your new hopes, your new aspirations, your intentions, your new policies, being here at the beginning of a new administration.

And Vice President Mondale, whose words I found very valuable when he came to London—I am not sure that his singing was quite up to that standard—but certainly, he communicated to us some of the excitement of being in at the start of this new administration in the United States.

You bear much of the burdens of the free world—military burdens, economic burdens, aid burdens. But what is more, Mr. President, what you can do and what you have already begun to do is to influence the political tone of the world in a

very marked degree. And I would like to thank you, sir, and indeed the whole American people, that in the leadership that you give to the world today, that you carry your responsibilities with spirit and with a marked constructive thinking, and imaginative thinking, too.

You referred, sir, to the fact that for the time being, I am President of the European Community. Let me hasten to disabuse our friends who gather here, that has nothing to do with my capacity. It is as we say in the United Kingdom, "It just happened to be Buggins' turn," and I am Buggins.

But what I can say on behalf of them all is that every member of the Community is desirous that there should be a close partnership and a strengthening of relations between the United States and Europe.

You and I, Mr. President, will be holding our discussions in a world which has now experienced 4 years of recession, the deepest since the 1930's. Of course, the free world can and will emerge from this recession, but we need concerted inter-governmental action if we are to do so as speedily as possible.

No one group of nations and no one nation can survive permanently as an island of prosperity if the remainder of the world is in recession. And our task, sir, if I may be bold enough to say so, is to see how we can help poverty and unemployment among the world's people, in an era of rapid change that has been caused by the unprecedented speed of technological development.

This is going to cause us many problems. And I was heartened yesterday, sir, to see you calling for a new program to help the young people of the United States who need training and who are unemployed and who you wish to see trained and get back into employment.

Sir, we shall also need to discuss the eternal problem, the never-ending problem of how best to maintain and enhance the liberty for our own citizens and for people in all parts of the world.

We shall have to consider how to strengthen our work for peace and enhance our own security, how we can live with the different systems, political systems, from our own, those that are not based on parliamentary democracy, as ours is, for if we don't learn how to live with them, then with the rapid advance of nuclear technology we shall certainly die with them.

And so, we have much to talk about, and I look forward to our conversations on these and many other matters.

We shall be able to carry the results of our discussions with us into the international gatherings to which we both belong, and especially, sir, to the Downing Street summit in London on May 7 and 8 to which you have kindly accepted my invitation. I hope that we shall be able to have prior discussions that will lead to positive results from that particular conference.

You, sir, have referred to the relationship between our countries. When I was young I used to say what I would like to do is have 6 months in the United Kingdom and 6 months in the United States. Getting a bit old now, but even so, it is a wonderful place to be.

You have got an invigorating country here. You have problems, but your attitude is always how can we lick them? That is what I like to see. That is why it is such a pleasure to be back here with you, sir, at the beginning of your administration, to wish you every success in the tasks that you are going to have to carry through and which you will have our great support in all that you endeavor to do, because we know that as leaders of the free world you will get plenty of criti-

cism. But you also need support and encouragement, too.

So, I can assure you, Mr. President, in conclusion, you will receive a very warm welcome when you come to London. We are very honored that you should do so on May 7 and 8. And I thank you again for your most kindly welcome, you and Mrs. Carter, here this morning.

NOTE: The President spoke at 10:40 a.m. on the South Lawn of the White House.

Ad Hoc Coalition for Women

Remarks to Representatives of Women's Groups. March 10, 1977

I wish I could get all my Cabinet members and the Vice President and all the others who work with me to be as brief as—I will never say anything any more about women talking too much, because I think, if anything, the presentations were too abbreviated. But I think in every instance you had thought very carefully about what you wanted to say to me. It means a lot to me.

I think that it is obvious that all of the statements made are well considered and justified. I think they were to the point. I think that what women have demanded and are demanding and have not yet received are very significant considerations for me as the leader of our country.

I think I might also say that the Vice President and I don't feel that we are on opposite sides of the issues that you have described. There is no incompatibility in our assessment of need. And I think that perhaps some of you recognize that we have tried to do a lot.

My own family members—my daughter-in-law, who hasn't got any money, much, has traveled around this country to meet with legislators, to try to talk to them and cajole them and plead with

them. And she has called me on the phone and I've called back, and I've done the best I could along with many of you to get the Equal Rights Amendment passed.

I don't think anybody here could know how much time my wife has put in on it. And in my public statements more recently, I think on Saturday when I had the call-in show, I have never equivocated about it. We have not yet been successful.

In the last 2 or 3 days, I have talked to Reubin Askew in Florida and I have talked to the speaker down there, Don Tucker. They both assured me that the Equal Rights Amendment will pass in Florida. And I've had my hopes raised and then have been disappointed on many occasions, but I trust Don Tucker to know the House in Florida. I trust Reubin Askew to know the Senate and House. I believe that is a fairly good prospect for success.

We have appointed strong, vigorous, sometimes controversial women spokesmen to positions of crucial importance. They have not been token appointments. And my own effort to ensure adequate women to represent you and others in this country will be continuing. It is not going to slack off.

One of the constant criticisms of our own administration has been that we have made appointments too slowly. We have been in office now more than 6 weeks. But I think that the slowness has been to your advantage.

There are a couple of things that I would like to say that you will not like. It is not fair to judge the appointments just on the basis of sex and to say that when we appoint someone that is sensitive and who cares about women and your rights that they are unqualified or unacceptable just because they happen to be men.

I don't believe I could have chosen a woman to be Vice President who cares more about day care centers, care for those who are deprived, and women's rights, than Fritz Mondale. And this is something that ought to be recognized.

In some of our major Departments we have 50 percent women at the top levels; in some we have much less than that. I understand that we have got a long way to go. And when we double or triple what has been done with the previous Presidents, even Lyndon Johnson, even John Kennedy, we are not bragging about it. But I think it would be good for you to recognize it.

I have a hard time with my own staff members and I have a hard time with some of my male and female Cabinet officers who come to me and say, no matter what we do we will never get anything but criticism from the strong and forceful and militant women spokesmen.

I think every now and then it would help if you would call Joe Califano and call Bob Bergland and say, "We appreciate that appointment." It might be only the one out of ten or one out of five. But I have had a hard time trying to convince them, you know, to come along with me and to come along with Fritz Mondale in breaking new ground.

I am not saying that we have done enough. But I am just giving you very frank advice. I think it would really pay you rich dividends, as spokesman for women in this country, to let Bergland and them know that you appreciate it when they do make a very highly controversial appointment like Carol Foreman, for instance. She is a superb leader and in the long run we are all going to be benefited from it.

But Bergland, he really has a hard time to face farmers all over this Nation who are concerned about marketing their peaches and marketing their other crops

when he never has a beneficial or complimentary word from you.

So, we have got a long way to go. I am not bragging about what we have done. We are going to do more in the future, and we are in it together. But don't exclude yourselves from constant and permanent interrelationship with the Cabinet officer who happens to be a man because, quite often, they are just as concerned about women's rights as they would be if they happened to be a woman.

And I want this to be a constant prod to me, a constant criticism to me, but also one of mutual support.

The other point I would like to make is this: We are making dramatic changes in the policies of our Government. I am not going to enumerate them. Some have already been mentioned already, like human rights in the international field.

But we will come out in April for the first time in our country with a comprehensive energy policy. It will affect every home in our country, transportation systems; it will also affect job placements. And your involvement in this process is crucial to me. I would like for you to take the initiative in dealing with Jim Schlesinger on that subject.

We are going to come out with a complete reform of the welfare system, using the word "welfare" in the generic sense, so we can lay the groundwork maybe for the next 20 years on dealing with people who have been deprived. And I want you to be aggressive in intruding yourselves into the decisionmaking process and not let the time slip away.

I have a very rigid time schedule to complete the study of this extremely complicated subject and make a report to me and then to the Congress by the first day of May.

In the long run, we are going to be assessing also health care and this year we

will complete a study of tax reform. And by the end of September, we will make recommendations to the Congress on that subject.

So, I just want to be sure that you are part of it. I am not as accessible as I would like to be to you. It is just on a fairly rare occasion that I can meet in a group like this. But I want that to be a continuing process.

And Midge Costanza is constantly with me in my office. She comes forward and says this is something we need to do. And she is a contact point for you within my own office. So is Bunny [Martha M. Mitchell] and others.

Senator Mondale, now Vice President Mondale, and Governor Carter, now President Carter—we see things from the State level, from the Congress level, and I think now from the White House. So, I think we have a good way to work as intermediaries between you and Members of the Congress, and you and Governors.

So, I just want this meeting to be one of caution to us, of criticism about things we haven't yet done, of a vision of what we can do, but primarily one of a commitment to a partnership.

And I've always learned from you, and I've got a lot yet to know. But I haven't forgotten for a single hour the need for me and others to correct longstanding discriminatory practices.

We save, I think, 130,000 back cases in equal employment discrimination, and we are searching for someone to head up that agency. And I think we will make a good choice. But we have got six other agencies and now there is a great deal of confusion about where the responsibility lies. As I choose people to head up every single agency, the Civil Service, I am making sure that if they are men or women that they know about my concerns, about women's rights.

But I would like to ask you to stay in close touch with me and also with others who have constant access to me and not to ignore the possibility of helping to shape Government policy, which is societal policy, even if you are not part of the Government itself.

I will do the best I can to be a better President, and I know that you will see to it that I have your constant advice and counsel and criticism. And I welcome it.

Thank you very much.

NOTE: The President spoke at 2:10 p.m. in the Family Theater at the White House.

U.S. Arms Control and Disarmament Agency

Letter to the Speaker of the House and the President of the Senate. March 10, 1977

Dear Mr. Speaker: (Dear Mr. President:)

I transmit herewith for consideration of the Congress proposed legislation to extend the appropriation authorization for the Arms Control and Disarmament Agency and for other purposes, together with a letter from the Acting Director of the Agency in support of this legislation.

The United States Government's interest in arms control agreements has gained widespread public and bipartisan political support. The ultimate goals of these agreements are to lessen the danger of war and to promote peaceful settlement of disputes. We are currently pursuing these goals in many forums, including negotiations bilaterally with the Soviet Union, and multilaterally with the Warsaw Pact countries, in the Geneva-based Conference of the Committee on Disarmament and in the United Nations.

In the troublesome area of nuclear proliferation, we are continuing to increase the effectiveness of the Treaty on the Non-Proliferation of Nuclear Weapons and the International Atomic Energy Agency. We are taking important initiatives to establish new cooperation with the other major nations supplying nuclear equipment and technology. And I have given my support to a comprehensive nuclear test ban.

In my Administration, the Arms Control and Disarmament Agency will have a very important role in all of these activities. By statute the Director of the Agency serves as the principal adviser to the Secretary of State, the National Security Council, and me on arms control and disarmament matters. In addition, the Director will serve as my chief negotiator at the Strategic Arms Limitations Talks and his Agency will continue to have the principal support responsibility for these negotiations and the negotiations relating to mutual and balanced force reductions in Europe. Its budget supports research in furtherance of these negotiations as well as nuclear non-proliferation, nuclear test limitations, and other important arms control activities.

Current authorization and appropriations for the Arms Control and Disarmament Agency expire September 30, 1977. I am transmitting the attached draft bill in order that the Congress may begin its consideration of future authorizing legislation for the Agency.

The draft bill would also amend the Arms Control and Disarmament Act to delete a requirement that all of the Agency's contracts and agreements for research be with United States institutions or persons. As explained in the letter from the Acting Director of the Agency, this amendment is needed for the Agency to

fully carry out its statutory responsibilities.

I urge early enactment of this measure.
Sincerely,

JIMMY CARTER

NOTE: This is the text of identical letters addressed to the Honorable Thomas P. O'Neill, Jr., Speaker of the House of Representatives, and the Honorable Walter F. Mondale, President of the Senate.

The text of the draft bill was also included in the White House press release.

Visit of Prime Minister Callaghan of Great Britain

*Toasts of the President and the
Prime Minister at a Dinner Honoring
the Prime Minister. March 10, 1977*

THE PRESIDENT. I would like to say, first of all, that we are very delighted that all of you could be with us tonight to welcome our distinguished visitors from Great Britain.

We have had a knowledge, through the study of history, of many guests who come here to visit the White House from England. The first ones, I believe, were in 1814. [Laughter] And I think it is accurate to say that the hospitality has increased steadily since that time.

I don't believe I have ever met anyone who was a distinguished political leader with whom I immediately felt more at home and a greater inner sense of genuine and personal friendship.

When I have had a chance to meet with a few leaders of foreign governments, I have always tried to get the better of them in our get acquainted session. I haven't succeeded at all tonight. [Laughter]

First of all, I said, "I am a farmer." Prime Minister Callaghan said, "So am I." [Laughter] I said—I knew I had them

the next time—I said, "I am a Baptist." He said, "So am I." [Laughter] I said, "I met my wife in the churchyard." He said, "So did I." [Laughter] I said, "I have a very interesting sister, who's a Carter, who is deeply involved in religion." He said, "Well, I have a sister who is very deeply involved in religion. She is also a Carter." I said, "We have had a lot of trouble in our country with inflation." He said—he didn't have to say anything. [Laughter] Unemployment—he didn't say anything. And I said, "Well, we have a majority of my party in the Congress." He didn't say anything. [Laughter] Then he said, "But I have complete control of a Parliament." And I didn't say anything.

And then he said "I represent a nation that has historically believed in human freedom," and I didn't have to respond. And he said, "I represent a country that believes in the purest principles of democracy." And I didn't have to respond. And he said, "I represent a country that has a close friendship with your own," and he knew that I didn't have to respond.

I said in my welcoming address that we have many friends around the world, but I think it is accurate to say that the closest friends we have are in Great Britain.

And I am very delighted tonight to have Prime Minister Jim Callaghan and his wife, Audrey, come and visit with us. I think we have reestablished, in a personal way, the genuine reasons for this intimate tie between the United States of America and our mother country.

We share common problems. We share common ideals. We share common history. We share a common future, and we are mutually supportive. We are partners. When we have happy times, so does England. When our economy suffers, so does theirs. And when we are challenged from

strange and alien military forces down through the generations, we have always been staunch allies.

I think on behalf of all the American people, I can offer a toast with the surest sense that I speak in a way that represents us all.

I would like to offer a toast at this point: To the Queen.

THE PRIME MINISTER. *Mr. President, Mrs. Carter:*

When you entertained the President of Mexico, the after dinner speeches began at 9:22. When you entertained the President of Canada, the after dinner speeches began at 9:23. This evening, sir, I checked my watch with you, but you didn't know for what purpose, they began at 9:24. I hope that is no sign that you are slipping. [*Laughter*]

But it is a very great pleasure, indeed, to be here, Mr. President, and Mrs. Carter, for Audrey and myself. And I would like to say thank you on behalf of all our party who traveled with us this week.

You were quite right in your apocryphal conversation to reveal the upbringings that we both share. When my brother-in-law, who is a Baptist minister, went to the deacons for his appointment in the southwest of England, they uttered a prayer for him which you will, I know, clearly recognize. The chief deacon got up and he said: "O Lord: Keep him humble. We will keep him poor." [*Laughter*]

I wasn't exactly sure about your reference to 1814. I want to assure you that on this occasion at least we arrive in peace and in concord. [*Laughter*] And nothing, sir, will separate us from each other.

But we do love being in the United States. I speak for all my party when I say that. And it is especially nice—and I want to repeat what I said this morning—to be here and feel the invigorating sweep of a new administration such as we have

felt during the last few weeks. And we want to thank you for it.

It is a very great privilege to be part of it. And I want you to know that in the generous words you have uttered about the relationships between our two countries that there is nothing that you can say about that that we don't echo and reecho, because your success is our success; your failures, we share. But when you are going through difficult times, we feel it, too. But wider than us, this is true of Europe, because what you do will have, and does have, a profound effect upon the European continent as a whole. That is our history. That is our background.

And so allow me just for one second to speak as president of the Community for the time being, and to say to you, sir, that—and I speak on behalf of the leaders of all the countries of the Community—that they are looking to you, looking to your administration with hope, with belief, with faith in the future of the United States under your leadership.

And so, we wish you well and we trust that under God's guidance you will bring not only peace and prosperity to your own people but you will bring it to us as well. For that lies in your hands and you shall have all our support in all that you are trying to do.

Now, I dictated a fine speech here the day before yesterday, but I have got a feeling it is a little out of date now. Indeed, you stole my point this morning, and I promise you I dictated this some time ago when I said—I am going to read it—you built up—I shan't read it very well—you built up a wide network of relationships and friendships around the world and in the process, I said, we have become a little shy of using the traditional term of special relationship to describe our friendship with each other. That was true until you used it yourself again this morning.

I went on to say, I see no reason why we should refrain from using it, which only goes to show we thought alike even before we met. It isn't an exclusive relationship. It shuts no one out. But what it does is to describe with accuracy the ease, the intimacy, the common feeling which Americans and Britons share with each other when they meet and talk, a common feeling that comes from similar political systems rooted in the same common law.

This feeling reached its highest manifestation, Mr. President, as there are some here who know—former Ambassadors to our country of very great distinction—reached its highest manifestation in that great partnership during the dark days of war. And successive generations in my country will not be allowed to forget the generous aid and assistance, the massive support and power which you brought to us in those days which enabled us to come together in a way that has forged a permanent partnership.

And when, as you put on with your new world responsibilities, you put on new friends, you make new friends, and so you should, and you widened the area of your friendship, I just say in the words of Shakespeare to you once again, and I say it from us to each other: "To thy friends thou hast and their adoption tried grappled them to thy heart with hoops of steel." That is the relationship, sir, between the United States and Britain.

Now, politicians come and go; even statesmen, sir, they tell me fade away sometimes. [*Laughter*] But our friendship won't do that. It is rock hard. And you, your country, has a special place in the hearts of our people.

We have got our problems, you are right—domestic problems—but we don't intend to allow them to obscure our vision of the world. We intend to play our part

in the world within the limits of our strength and our influence.

We have gone through a period of adjustments since the war. The empire has dropped away; our old industrial system has got to be refurbished. Yes, we are going to come through that. And I regard this as a passing period in which is the responsibility of my generation to see that we do come through so that we can take our place side by side with you in the influence that we bring together jointly to bear in the world. This I regard as one of our responsibilities and is one that we shall seek to discharge.

So, Mr. President, I thank you, I thank our guests here and our friends, some of whom are old friends, for the great warmth of your reception. You can be assured that any help that we can give to your great country during the years that lie ahead shall be given. Any support that you need will be there to your hand.

We shall work with you, work in your interests because of the deep affection we have for the American people; work in our interest because we know that a strong and fearless America, self-possessed, self-confident, with a great faith that you have, is the surest guide and watchword for freedom in this world.

NOTE: The President spoke at 9:24 p.m. in the State Dining Room at the White House.

American Mushroom Industry

Message to the Congress Transmitting a Report. March 10, 1977

To the Congress of the United States:

In accordance with Section 203(b) (2) of the Trade Act of 1974, enclosed is a report to the Congress setting forth my determination that import relief for the

U.S. canned mushroom industry is not in the national economic interest, and explaining the reasons for my decision.

JIMMY CARTER

The White House,

March 10, 1977.

IMPORT RELIEF ACTION

MUSHROOMS

As required under Section 203(b) (2) of the Trade Act of 1974, I am transmitting this report to the Congress setting forth the actions I will take with respect to mushrooms covered by the affirmative finding on January 10, 1977, of the United States International Trade Commission (USITC) under Section 201(d) (1) of the Trade Act. As my action differs from that recommended by the USITC, I have included the reasons for my decision:

I have determined that import relief for canned mushrooms is not in the national economic interest. As indicated below, the principal reasons for that determination include: (1) recent improvements in the domestic mushroom industry; (2) the high cost to U.S. consumers of the import relief recommended by the USITC and the relatively limited number of additional jobs such relief might create; (3) the existing availability of expedited adjustment assistance for workers and firms in the industry; (4) the potential retaliation against our own exports which import relief might engender, as well as the adverse foreign policy repercussions; (5) the existing voluntary export restraints agreed to by the principal foreign suppliers of canned mushrooms (the Republics of China and Korea); and (6) my intention to monitor canned mushroom imports and consult with the principal exporters, with a view

toward avoiding disruptive impacts on the U.S. market.

The USITC reported that domestic conditions for both mushroom canners and growers have improved recently; fresh and canned mushroom prices as well as production, sales, and profits have increased in response to growing U.S. demand for mushrooms. The fresh mushroom segment of the industry has benefitted from these higher mushroom prices and there is no evidence of significant unemployment or idling of productive facilities in this area. Employment in mushroom canning plants has declined in recent years but it is estimated that the import relief recommended by the USITC would create or save something less than 100 jobs and at an extremely high cost to U.S. consumers.

U.S. demand for canned mushrooms has increased and inventories are currently drawn down. Were the USITC recommended tariff rate-quota system to be implemented, consumers could be faced with further large price increases in both canned and fresh mushrooms.

The European Economic Community has recently relaxed its import restrictions on mushrooms. Since its market can now absorb a larger share of world mushroom exports, import pressures on the U.S. market should be reduced.

Voluntary export restraints by the Republic of China (Taiwan) and the Republic of Korea will remain in effect until their scheduled expiration on June 30, 1977. In addition, I intend to continue to monitor mushroom imports and domestic market conditions. Should exports of mushrooms become a disruptive factor in the U.S. market, I will request consultations with the exporting government(s) involved.

NOTE: The text of the message was released on March 11.

Executive Schedule

Executive Order 11976. March 11, 1977

AMENDING EXECUTIVE ORDER NO. 11861,
AS AMENDED, PLACING CERTAIN POSI-
TIONS IN LEVELS IV AND V OF THE
EXECUTIVE SCHEDULE

By virtue of the authority vested in me by Section 5317 of Title 5 of the United States Code, and as President of the United States of America, it is hereby ordered as follows:

SECTION 1. Section 1 of Executive Order No. 11861, as amended, placing certain positions in level IV of the Executive Schedule, is further amended by adding thereto "(17) Director of Agricultural Economics, Department of Agriculture." and "(18) Assistant to the Secretary for Legislative Affairs, Department of Defense."

SEC. 2. Section 2 of Executive Order No. 11861, as amended, placing certain positions in level V of the Executive Schedule, is further amended by deleting "(1) Defense Representative, Iran, Department of Defense." and "(9) Deputy Assistant Secretary for Housing, Department of Housing and Urban Development."

JIMMY CARTER

The White House,
March 11, 1977.

[Filed with the Office of the Federal Register,
4:24 p.m., March 11, 1977]

NOTE: The Executive order was not issued in the form of a White House press release.

National Energy Policy

**Announcement of White House Sponsorship
of 20 Mini-Conferences on Policy
Formulation. March 11, 1977**

The White House has announced that it will sponsor a series of 20 mini-confer-

ences over the next 2 weeks to gather information on national energy policy by April 20.

The mini-conferences are part of a broad effort to give all segments of the public a voice in the making of that policy. The White House last week announced a mailing seeking the opinions of 450,000 Americans, and the Federal Energy Administration will hold a series of citizen town hall meetings in 10 cities beginning March 14.

The mini-conferences will take place in Washington and will be conducted by the staff of the White House Energy Policy and Planning Office.

Each session will last 3 hours and will concentrate on airing the opinions of one segment of the public.

The series begins Monday, March 14, with a morning mini-conference with consumer group representatives and an afternoon meeting with auto industry officials. It concludes March 25.

Included in the series will be mini-conferences with union leaders; builders, architects and planners; various energy producers; public and privately owned utilities; agricultural interests; State and local officials; low-income representatives; environmentalists; and others.

The meetings will be open to the press.

NOTE: The schedule for the mini-conferences was also included in the White House press release.

Indian Claims Dispute in the State of Maine

**Designation of William B. Gunter as the
President's Special Representative To
Coordinate Negotiations. March 11, 1977**

The President today designated Georgia Supreme Court Justice William B. Gunter as his special representative on the

Indian claims matter in the State of Maine.

Gunter, 57, will be retiring from the Georgia Supreme Court at the end of March.

All parties in the dispute requested that a special representative be appointed.

Justice Gunter will assist all parties by coordinating negotiations among them. He will not serve as a mediator or arbitrator.

Justice Gunter, a longtime personal friend of the President, was born in Commerce, Ga., on April 20, 1919. He received his B.A. from the University of Georgia in 1940 and his law degree in 1942. He served as a law clerk to U.S. District Judge Robert L. Russell of the Northern District of Georgia before entering the U.S. Army during World War II.

As a lieutenant in the Third Infantry Division, European Theatre, Gunter was awarded the Silver Star and the Purple Heart.

In 1946 he returned to Georgia to practice law with the Gainesville firm of Kenyon, Kenyon and Gunter. During his 25 years of practice, he served one term as a judge for the Gainesville Police Court, three terms as a member of the Georgia House of Representatives (1952-58), and 11 years as Gainesville City Attorney (1959-1970).

He was a member of the Georgia State Board of Bar Examiners from 1965 to 1971 and served as a Georgia Democratic national committeeman in 1971. He was appointed to the Georgia Supreme Court in January 1972.

Justice Gunter resigned from the Georgia Supreme Court effective April 1, 1977, to join the firm of Kilpatrick, Cody, Rogers, McClatchey and Regenstein. He is married and the father of three children.

Department of Labor

Nomination of Francis X. Burkhardt To Be an Assistant Secretary. March 11, 1977

The President today announced that he will nominate Francis X. Burkhardt to be an Assistant Secretary of Labor (Labor-Management Relations). Burkhardt is currently the director of research (economics) for the International Brotherhood of Painters and Allied Trades, AFL-CIO, in Washington, D.C.

Burkhardt was born in Philadelphia on September 6, 1944. He received a B.S. degree from Temple University in 1966. From 1966 to 1969, he attended the University of Maryland.

In 1968 and 1969, he was a research intern for the AFL-CIO, and from January to June 1969, he taught mathematics at Browne Junior High School in the District of Columbia school system.

In 1969 and 1970, Burkhardt was assistant to the director of legislation for the AFL-CIO and since 1970, he has been director of research for the International Brotherhood of Painters and Allied Trades.

Burkhardt served during 1971 and 1972 as director of policy and issue analysis on the Pay Board. He is a member of the Labor Research Advisory Council to the Commissioner of Labor Statistics, U.S. Department of Labor.

Burkhardt serves as an alternate member of the Multi-Lateral Trade Negotiations Committee and of the Labor Sector Policy Advisory Committee, and as a member of the Labor Sector on Chemicals and Agriculture Products. He has served on various minimum wage boards for Puerto Rico, representing the Department of Labor.

Burkhardt is president of the Washington, D.C., chapter of the Industrial Relations Research Association for 1976-77

and was secretary of the chapter in 1974-75.

He is married and has two children. He resides in Upper Marlboro, Md.

Department of Labor

Nomination of Eula Bingham To Be an Assistant Secretary. March 11, 1977

The President today announced that he will nominate Eula Bingham to be Assistant Secretary of Labor (Occupational Safety and Health). Ms. Bingham is an associate professor and associate director of the Department of Environmental Health at the University of Cincinnati School of Medicine.

She was born on July 9, 1929, in Covington, Ky. She received a B.S. degree from Eastern Kentucky University in 1951, and an M.S. in 1952 and a Ph. D. in 1958 from the University of Cincinnati.

Between 1951 and 1961 she was an analytical chemist with a Cincinnati chemical firm and also worked as a research associate and assistant.

Ms. Bingham has been at the University of Cincinnati School of Medicine since 1961, as an assistant professor until 1970, and an associate professor since then. Courses she has taught include physiology for engineers, functional histology and histological technology, and biological effects of air pollutants and chemical carcinogenesis.

She served on the National Academy of Sciences' ad hoc Lead in Paint Commission in 1974-75; as Chairman of the Labor Department's Standards Advisory Commission on Coke Oven Emissions in 1974-75; and on the Labor Department's Standards Advisory Commission on Carcinogens in 1973.

From 1972 to 1976, she served on the Study Section for Safety and Occupational Health of the National Institute for Occupational Safety and Health. She was a consultant to the Panel on Vapor Phase Organic Air Pollutants from 1972 to 1975.

Ms. Bingham has served on the Food and Drug Advisory Commission of the Food and Drug Administration and on the Environmental Health Advisory Commission, Science Advisory Board of the Environmental Protection Agency since 1976. She served on the National Air Quality Criteria Advisory Commission in 1975-76.

Ms. Bingham resides in Cincinnati, Ohio.

Department of Labor

Nomination of Arnold H. Packer To Be an Assistant Secretary. March 11, 1977

The President today announced that he will nominate Arnold H. Packer to be an Assistant Secretary of Labor (Policy, Evaluation and Research). Packer is chief economist for the U.S. Senate Budget Committee.

He was born February 26, 1935, in New York City. He received a B.S. from Brooklyn Polytechnic Institute in 1956, an M.S. in business administration from Sacramento State College in 1965, and a Ph. D. in economics from the University of North Carolina in 1969.

From 1957 to 1961, Packer was a project engineer for Jaros, Baum and Bolles in New York City. He worked as an information systems analyst for Aerojet-General Corp., in Sacramento from 1961 to 1965.

From 1965 to 1969, Packer was a project leader at Research Triangle In-

stitute in North Carolina, working on problems in economic planning and on community health systems.

He was an economist on the Director's staff in the Office of Management and Budget from 1969 to 1971. Packer was senior economist on the Committee for Economic Development from 1971 until 1974, when he became chief economist for the Budget Committee.

Packer is married and has three children. He resides in Bethesda, Md.

Department of Labor

***Nomination of Alexis M. Herman
To Be Director of the Women's
Bureau. March 11, 1977***

The President today announced that he will nominate Alexis M. Herman to be Director of the Women's Bureau in the Department of Labor. Ms. Herman is national director of women's programs, minority women employment program of the Recruitment and Training Program, Inc., in Atlanta, Ga.

Ms. Herman was born on July 16, 1947, in Mobile, Ala. She received a B.A. from Xavier University in 1969.

From 1969 to 1972, she was a social worker for Catholic Social Services in Mobile, Ala. In 1971 and 1972, she was also an outreach worker for the Recruitment and Training Program for Catholic Social Services in Pascagoula, Miss.

From 1972 to 1974, Ms. Herman was director of the black women employment program of the Southern Regional Council in Atlanta. In 1973 and 1974, she was also a consultant/supervisor for the Recruitment and Training Program in New York City.

In 1974 she became national director of women's programs for the minority women employment program of the Re-

cruitment and Training Program, Inc., in Atlanta.

She resides in College Park, Ga.

Department of Housing and Urban Development

***Nomination of Lawrence B. Simons To Be an
Assistant Secretary. March 11, 1977***

The President today announced that he will nominate Lawrence B. Simons to be Assistant Secretary of Housing and Urban Development (Housing), Simons is president of LBS Construction Co., in Staten Island, N.Y.

He was born in Staten Island on October 19, 1924. He received an LL.B. degree from Columbia Law School in 1949.

From 1949 to 1953, Simons was an associate attorney with the New York law firm of Spring & Eastman. In 1953 and 1954, he was vice president and general manager of Hemisphere Corp. in Puerto Rico, and in 1954 and 1955 he was general manager of Monitor Industries, also in Puerto Rico.

Simons served as vice president and general manager of Caribe Knitting Mills, Inc., in Juncos, Puerto Rico, from 1955 to 1958. From 1958 to 1967, he was self-employed in various real estate and construction ventures in Staten Island. He became president of LBS Construction Co. in 1967.

From 1968 to 1976, he was a member of the executive committee of the National Association of Home Builders. He was chairman of the Association's Housing Fund Study Committee in 1975 and has been chairman of the Land Use Task Force.

He was a member of the board of directors of the National Housing Conference in 1976 and is on the board of directors

of the New York State Urban Development Corporation.

Simons was named Man of the Year by the New York City Builders Association in 1972. He is vice president of the Staten Island Chamber of Commerce.

Simons is married and resides in Staten Island.

Department of Housing and Urban Development

Nomination of Robert C. Embry, Jr., To Be an Assistant Secretary. March 11, 1977

The President today announced that he will nominate Robert C. Embry, Jr., to be Assistant Secretary of Housing and Urban Development (Community Development and Planning). Embry was Commissioner of Housing and Community Development for the city of Baltimore from 1967 to 1977.

He was born in Baltimore on September 7, 1937. He received a B.A. degree from Williams College in 1959 and a J.D. degree from Harvard Law School in 1964. He served in the U.S. Marine Corps from 1956 to 1962.

In 1962 he served as a law clerk for the firm of Piper & Marbury in Baltimore. In 1963 he was a law clerk for the Baltimore firm of Venable, Baetjer & Howard, and in 1964 and 1965, he was a law clerk for U.S. Court of Appeals Judge Simon Sobeloff in Baltimore. Embry was an attorney with Venable, Baetjer & Howard from 1965 until 1967, when he joined the Baltimore City government.

In addition to his position as Commissioner of Housing and Community Development, Embry served as executive director of the Baltimore Housing Authority. He is currently chairman of the Mayor's Coordinating Committee on Mass Transit, and chairman of the board

of the Baltimore Economic Development Corporation.

Embry was elected a city councilman from Baltimore's Third District in 1967-68. In 1968 he was named Baltimore Young Man of the Year, and in 1969 he was named Maryland Young Man of the Year.

Embry is married and resides in Baltimore.

Renegotiation Board

Nomination of Harry R. Van Cleve and William F. McQuillen To Be Members. March 11, 1977

The President today announced that he will nominate Harry R. Van Cleve and William F. McQuillen to be members of the Renegotiation Board.

Van Cleve is General Counsel for the Cost Accounting Standards Board. He was born in Los Angeles, Calif., on May 3, 1923. He received a B.A. degree from the University of Southern California in 1947 and an LL.B. from Harvard Law School in 1949.

He was an attorney for the President's Water Resources Policy Commission in 1950 and 1951 and served as a trial attorney for the Federal Power Commission from 1951 to 1953.

From 1954 to 1960, he was an attorney in the Office of the General Counsel of the Department of Defense. In 1960 and 1961, he was Chief Counsel, Design and Construction, for the General Services Administration.

Van Cleve served as Associate General Counsel for the Peace Corps from 1961 to 1963. From 1963 to 1965, he was Assistant General Counsel in the Procurement Division of the General Services Administration, and from 1965 to 1969 he was General Counsel of GSA.

From 1969 to 1971, Van Cleve was Regional Counsel for Region 3 of GSA, and in 1971 he became General Counsel of the Cost Accounting Standards Board. He is married and the father of three children. He resides in Alexandria, Va.

McQuillen is counsel to the House Banking, Finance and Urban Affairs Committee. He was born in Buffalo, N.Y., on August 21, 1943. He received a B.S. degree in business management from Canisius College in 1966 and a J.D. degree from St. Mary's Law School in 1972.

In 1972 and 1973, McQuillen practiced law in San Antonio, Tex., with the law firm of Nicholas and Barrera. From 1973 to 1975, he was an attorney and advisor for the Board of Immigration Appeals.

In 1975 and 1976, McQuillen served as counsel for the Oversight and Renegotiation Subcommittee of the House Committee on Banking, Currency and Housing. In that capacity he conducted oversight hearings on the Renegotiation Act and wrote the first major reform of the act in its 25-year history. He also conducted oversight investigation of the Renegotiation Regional Boards located in Los Angeles and Washington.

McQuillen is married and resides in Falls Church, Va.

Hjort was born December 20, 1931, in Plentywood, Mont. He operated a grain and livestock farm in Medicine Lake, Mont., for 2 years before entering Montana State University, where he obtained a B.S. degree (1958) and an M.S. degree (1959) in agricultural economics. He has also done graduate work at North Carolina State University.

Hjort was a staff economist in the Office of the Secretary of Agriculture from 1963 to 1965, and in 1965 served as special assistant to the Under Secretary of Agriculture.

From 1965 to 1969, he was director of staff (program planning and analysis) in the Office of the Secretary of Agriculture.

In 1969 Hjort accepted a 3-year assignment with the Ford Foundation in New Delhi, India, as a planning and management advisor. He returned to the United States in 1972, and with former Under Secretary of Agriculture John Schnittker organized Schnittker Associates, an agricultural consulting firm in Washington, D.C.

He was appointed Director of Agricultural Economics by Secretary of Agriculture Bob Bergland on March 10, 1977.

Hjort is married and has five children. He resides in the District of Columbia.

Commodity Credit Corporation

Nomination of Howard W. Hjort To Be a Member of the Board of Directors. March 11, 1977

The President today announced that he will nominate Howard W. Hjort to be a member of the Board of Directors of the Commodity Credit Corporation. Hjort is Director of Agricultural Economics in the Department of Agriculture.

Department of Defense

Nomination of William J. Perry To Be Director of Defense Research and Engineering. March 11, 1977

The President today announced that he will nominate William J. Perry to be Director of Defense Research and Engineering in the Department of Defense. Perry is director and president of ESL Inc.

He was born in Vandergrift, Pa., on October 11, 1927. He received a B.S. degree in 1949 and an M.S. in 1950 in mathematics from Stanford University. He received a Ph. D. in mathematics from Pennsylvania State University in 1957.

Perry was director of the Electronic Defense Laboratories at Sylvania Electric Products, Inc., in Mountain View, Calif., from 1954 until 1964, when he was one of the founders of ESL.

Besides his management duties at ESL, Perry has been engaged in the analysis of missile systems and the design of electronic reconnaissance systems. He is also a part-time lecturer in mathematics at the University of Santa Clara.

Perry serves on scientific advisory committees for the Department of Defense and the National Security Council. He has advised the Government on national security issues, beginning with a panel to study the missile gap issue in 1960, and including, currently, a study of verification problems in SALT.

He has received the U.S. Army's Outstanding Civilian Service Medal for "the development of systems for the collection of vitally important intelligence through the use of advanced electronics."

He has also been awarded the Defense Intelligence Agency's Exceptional Civilian Service Medal for his service as a charter member of the Agency's Scientific Advisory Committee.

He resides in Los Altos, Calif.

Department of Health, Education, and Welfare

***Nomination of Frank Peter S. Libassi To Be
General Counsel. March 11, 1977***

The President today announced that he will nominate Frank Peter S. Libassi to

be General Counsel of the Department of Health, Education, and Welfare. Libassi is president of Greater Hartford Process, Inc., and the Greater Hartford Community Corp. in Hartford, Conn.

He was born on April 20, 1930, in Brooklyn, N.Y. He received a B.A. from Colgate University in 1951 and an LL.B. from Yale Law School in 1954.

From 1954 to 1956, Libassi was an attorney with the New York State Rent Commission. He was a civil rights attorney with the New York State Commission Against Discrimination from 1956 to 1962, the U.S. Commission on Civil Rights from 1962 to 1966, and the Department of Health, Education, and Welfare from 1966 to 1968.

From 1968 to 1971, Libassi did urban development work for the National Urban Coalition in Washington. He worked on community development for the American City Corp. in Hartford, Conn., from 1971 to 1972. In 1972 he joined Greater Hartford Process, Inc., and in 1973 he joined the Greater Hartford Community Corp.

Libassi has been a consultant to the Department of Health, Education, and Welfare, and the U.S. Commission on Civil Rights. He is the coauthor of "Revitalizing Central City Investments" (1977) and has edited several staff publications of the U.S. Commission on Civil Rights.

Libassi was a Woodrow Wilson Visiting Fellow in 1974, 1975, and 1976. He has received the Distinguished Service Award and the Superior Service Citation from HEW, and the Meritorious Service Award and the Superior Performance Award from the U.S. Commission on Civil Rights.

He is married and has three children. He resides in West Hartford, Conn.

Department of Health, Education, and Welfare

Nomination of Richard D. Warden To Be an Assistant Secretary. March 11, 1977

The President today announced that he will nominate Richard D. Warden to be an Assistant Secretary of Health, Education, and Welfare (Legislation). Warden was legislative director for the UAW International Union, in Washington, from October 1975 until January 1977.

He was born on December 10, 1931, in Great Falls, Mont. He received a B.A. degree in 1957 and an M.A. in 1958 from Montana State University. He served in the U.S. Navy from 1950 to 1954.

Warden was a reporter for the Great Falls Tribune, in Great Falls, Mont., from 1958 to 1961, and won the American Political Science Association Public Affairs Reporting Award in 1960. From January 1961 to September 1961, he was State editor for the Great Falls Tribune.

From October 1961 until September 1962, Warden was a Congressional Fellow of the American Political Association. In 1962 and 1963, he served as legislative assistant to Montana Senator Lee Metcalf, and from 1963 to 1967, he was administrative assistant to Michigan Representative James G. O'Hara.

Warden was Deputy Director of the Office for Civil Rights of the Department of Health, Education, and Welfare, from 1967 to 1969. In 1969 and 1970, he was legislative representative for the AFL-CIO, and from 1970 to 1972 he served as director of the Washington Research Project Action Council.

Warden served as assistant legislative director for the UAW from 1972 until 1975, when he became legislative director.

He is married and has four children. He resides in the District of Columbia.

Special Representative for Trade Negotiations

Nomination of Robert S. Strauss. March 11, 1977

The President today announced that he will nominate Robert S. Strauss to be Special Representative for Trade Negotiations, with the rank of Ambassador Extraordinary and Plenipotentiary. Strauss is an attorney and the former chairman of the Democratic National Committee.

He was born on October 19, 1918, in Lockhart, Tex., and received an LL.B. degree from the University of Texas in 1941.

Since 1945 Strauss has been actively engaged in the practice of law in Dallas, Tex. He is a senior partner in the law firm of Akin, Gump, Strauss, Hauer and Feld, with offices in Dallas and Washington, D.C.

He is chairman of the board of Strauss Broadcasting Co., Dallas, and chairman of the board of the Valley View State Bank, also in Dallas.

Strauss served as national committeeman from the State of Texas from 1968 to 1972. During the 1968 national election, he served as cochairman of the Humphrey-Muskie campaign in Texas. In March 1970, he was elected treasurer of the Democratic National Committee and served as chairman of its National Finance Council.

During the 1972 general elections, Strauss served as chairman of the National Committee to Re-elect a Democratic Congress. In December 1972, he was elected chairman of the Democratic National Committee.

He is married and the father of three children.

The President also announced that he had approved an exception to the Guidelines on Conflict of Interest for Strauss.

Strauss will establish a blind trust with an independent trustee to hold his investment securities while he serves as Special Trade Representative. These securities are well diversified, except that 35% of the portfolio is represented by the stock of the Valley View State Bank and 30% by the stock in his family-owned Strauss Broadcasting Co. The retention of these securities requires the President's approval of the exception.

The President explained that his reasons for approving the exception are:

(1) As Special Trade Representative, Strauss will disqualify himself from acting on matters affecting the interest of either of those companies; such a disqualification will seldom, if ever, prevent his acting on a matter.

(2) To require Strauss to divest by sale of these securities would cause a serious depletion of his family assets because of the capital gains taxes he would have to pay.

Digest of Other White House Announcements

The following listing includes the President's daily schedule and other items of general interest as announced by the White House Press Office during the period covered by this issue. Events and announcements printed elsewhere in the issue are not included.

March 5

The President met at the White House with Zbigniew Brzezinski, Assistant to the President for National Security Affairs.

The President met at the White House with Chief Gatsha Buthelezi, chief executive councilor of the Kwa-Zulu, an enclave in Natal Province and one of South Africa's eight tribal homelands.

March 7

The President met at the White House with:

- Dr. Brzezinski;
- the Cabinet;
- Vice President Walter F. Mondale;
- W. Averell Harriman;
- Vice President Mondale, Adm. Stansfield Turner, Director-designate of Central Intelligence, and Dr. Brzezinski.

March 8

The President met at the White House with:

- Dr. Brzezinski;
- the Democratic congressional leadership;
- Prime Minister Yitzhak Rabin of Israel;
- Dr. Arthur F. Burns, Chairman of the Board of Governors of the Federal Reserve System, and Vice President Mondale;
- Representative James C. Wright, Jr., of Texas and a group of independent oil company executives who had been meeting with Assistant to the President James R. Schlesinger to discuss development of a national energy policy;
- Willy Brandt, Chairman of the German Social Democratic Party;
- Lt. Gen. J. W. Morris, Chief of Engineers, Department of the Army;
- Bert Lance, Director of the Office of Management and Budget.

The White House announced that at the invitation of British Prime Minister, James Callaghan, the heads of state and government of Canada, the Federal Republic of Germany, France, Italy, Japan, the United Kingdom, and the United States will meet at 10 Downing Street, London, on May 7 and 8 to discuss problems facing both developed and developing nations.

Administration of Jimmy Carter, 1977

March 9

The President met at the White House with:

- Dr. Brzezinski;
- a group of Senators and Congressmen to discuss foreign assistance legislation;
- Pak Tong-chin, Foreign Minister of the Republic of Korea, to discuss security issues, including the proposed withdrawal of American ground forces from Korea, and the human rights situation.

The President announced the designation of Edward D. Re as Chief Judge of the United States Customs Court.

The President acknowledged the retirement of William H. Becker as a United States District Judge for the Western District of Missouri, effective February 8. Judge Becker will assume the status of Senior Judge and continue to be available for assignment.

March 10

The President met at the White House with:

- Dr. Brzezinski;
- a group of Senators and Congressmen to discuss the review procedures on water resource projects;
- senior White House staff members;
- Mr. Lance and James T. McIntyre, Deputy Director-designate of the Office of Management and Budget;
- Admiral Turner and Dr. Brzezinski;
- Adm. Maurice Weisner, Commander, Pacific Forces, and Secretary of Defense Harold Brown.

March 11

The President had breakfast at the White House with John B. Shanklin. Mr. Shanklin, who works at the Sheraton-Carlton Hotel in Washington, first met Mr. Carter in 1974, and it was agreed that they would have breakfast at the

White House if Mr. Carter became President.

The President met at the White House with:

- Dr. Brzezinski;
- Mr. Lance;
- Prime Minister Callaghan of Great Britain;
- Spencer W. Kimball, president of the Church of Jesus Christ of Latter-day Saints, and Representatives Gunn McKay of Utah and Jim Santini of Nevada.

**NOMINATIONS SUBMITTED
TO THE SENATE**

The following list does not include promotions of members of the Uniformed Services, nominations to the Service Academies, or nominations of Foreign Service officers.

Submitted March 7, 1977

RICHARD HOLBROOKE, of the District of Columbia, to be an Assistant Secretary of State.

CAROL TUCKER FOREMAN, of the District of Columbia, to be an Assistant Secretary of Agriculture, vice Don Paarlberg, resigned.

HENRY JACOB AARON, of the District of Columbia, to be an Assistant Secretary of Health, Education, and Welfare, vice William A. Morrill, resigned.

LYLE E. GRAMLEY, of Maryland, to be a member of the Council of Economic Advisers, vice Burton Gordon Malkiel.

ROBERT RIGGS NORDHAUS, of Connecticut, to be a member of the Council of Economic Advisers, vice Paul Webster MacAvoy, resigned.

JAMES GUSTAVE SPETH, of the District of Columbia, to be a member of the Council on Environmental Quality, vice Beatrice E. Willard, resigned.

JOHN E. REINHARDT, of Maryland, a Foreign Service Information Officer of the Class of Career Minister for Information, to be Director of the United States Information Agency.

Submitted March 9, 1977

JOHN J. GILLIGAN, of Ohio, to be Administrator of the Agency for International Development.

Administration of Jimmy Carter, 1977

NOMINATIONS—Continued

Submitted March 9—Continued

PETER F. FLAHERTY, of Pennsylvania, to be Deputy Attorney General, vice Harold R. Tyler, Jr., resigned.

CHARLES LINN HASLAM, of North Carolina, to be General Counsel of the Department of Commerce, vice John Thomas Smith II, resigned.

CAROL TUCKER FOREMAN, of the District of Columbia, to be a member of the Board of Directors of the Commodity Credit Corporation, vice Don Paarlberg, resigned.

Submitted March 10, 1977

JOHN C. WHITE, of Texas, to be Deputy Secretary of Agriculture, vice John A. Knebel.
W. J. MICHAEL CODY, of Tennessee, to be United States Attorney for the Western District of Tennessee for the term of 4 years, vice Thomas F. Turley, Jr., resigning.

Submitted March 11, 1977

ROBERT S. STRAUSS, of Texas, to be Special Representative for Trade Negotiations, with the rank of Ambassador Extraordinary and Plenipotentiary, vice Frederick B. Dent, resigned.

LUCY WILSON BENSON, of Massachusetts, to be Under Secretary of State for Coordinating Security Assistance Programs.

TERENCE A. TODMAN, of the Virgin Islands, a Foreign Service officer of the Class of Career Minister, to be an Assistant Secretary of State.

ARNOLD H. PACKER, of Maryland, to be an Assistant Secretary of Labor, vice Abraham Weiss, resigned.

EULA BINGHAM, of Ohio, to be an Assistant Secretary of Labor, vice Morton Corn, resigned.

FRANCIS X. BURKHARDT, of Maryland, to be an Assistant Secretary of Labor, vice Bernard E. DeLury, resigned.

ALEXIS M. HERMAN, of Georgia, to be Director of the Women's Bureau, Department of Labor, vice Carmen Maymi, resigned.

ROBERT CAMPBELL EMBRY, JR., of Maryland, to be an Assistant Secretary of Housing and Urban Development, vice David Olan Meeker, Jr., resigned.

LAWRENCE B. SIMONS, of New York, to be an Assistant Secretary of Housing and Urban Development, vice James L. Young, resigned.

RICHARD D. WARDEN, of the District of Columbia, to be an Assistant Secretary of

NOMINATIONS—Continued

Submitted March 11—Continued

Health, Education, and Welfare, vice Thomas L. Lias, resigned.

FRANK PETER S. LIBASSI, of Connecticut, to be General Counsel of the Department of Health, Education, and Welfare, vice William H. Taft IV, resigned.

HOWARD W. HJORT, of the District of Columbia, to be a member of the Board of Directors of the Commodity Credit Corporation, vice Robert W. Long, resigned.

WILLIAM D. NORDHAUS, of Connecticut, to be a member of the Council of Economic Advisers, vice Paul Webster MacAvoy, resigned.

Withdrawn March 11, 1977

ROBERT RIGGS NORDHAUS, of Connecticut, to be a member of the Council of Economic Advisers, vice Paul Webster MacAvoy, resigned, which was sent to the Senate on March 7, 1977.

**CHECKLIST OF WHITE HOUSE
PRESS RELEASES**

The following releases of the Office of the White House Press Secretary, distributed during the period covered by this issue, are not included in the issue.

Released March 7, 1977

Announcement: topics of discussion and the other participants in the President's meeting with Prime Minister Yitzhak Rabin of Israel

Released March 8, 1977

Announcement: nomination of Carol Tucker Foreman to be a member of the Board of Directors of the Commodity Credit Corporation

Released March 9, 1977

Biographical information: W. J. Michael Cody, the President's nominee for United States Attorney for the Western District of Tennessee

**ACTS APPROVED BY
THE PRESIDENT**

Approved March 8, 1977

H.J. Res. 132----- Public Law 95-9
A joint resolution to authorize a special gold medal to be awarded to Miss Marian Anderson.

PRESIDENTIAL DOCUMENTS

Week Ending Friday, March 18, 1977

Swearing-In Ceremony

Remarks at the Swearing In of the Chairman of the Council on Environmental Quality, the Deputy Director of ACTION, and the Administrator and Deputy Administrator of the Environmental Protection Agency. March 11, 1977

I apologize for being late. This is not my normal custom, but I have been working the last 15 or 20 minutes on the Rhodesian question, and something came up at the last minute.

This is an afternoon ceremony that's very significant to us. I think that my own background in environmental questions and in matters that relate to the quality of life has been one of intimate and deep concern. And when I was elected President, my major purpose in dealing with Federal Government agencies that relate to energy or to environment, to the quality of life in every way, was one of appointing people in whom I had complete confidence and, also, who had the confidence of those intensely committed environmentalists and conservationists in our country.

At the same time, of course, in order for us to be effective, there must be a working relationship that cannot create insuperable barriers between those who are interested in development of jobs on the one hand, those who want to protect

the quality of the outdoors, the purity of life on the other. I think that we've been successful so far, without abridging anyone's deep commitment and integrity in past statements and beliefs on the one hand, and adequate progress on the other.

And I'm very proud this afternoon to have a chance to introduce these men and women who will be serving in such important positions.

Charles Warren is a man whom I first met when I was in Plains being briefed on the major questions concerning energy. He's a person who has been very effective in California, in the legislature, in devising and drafting and implementing major and very innovative decisions concerning the energy question, environmental questions, protection of the coastal regions, not only from a present-day point of view but as they would impact on the lives of people in years to come.

He's a very successful man there. And I think at some considerable sacrifice to himself, financially, but because of his interest in this subject, he's agreed to come and serve with us. And he'll be the Chairman of those who will advise me on matters that relate to environmental quality.

I'm very glad that you've come to be with us. And I express my appreciation to you and look forward to working closely with you.

Among my closest friends in the world are two people who mean a lot to me, and I think in the past and in the future will mean a lot to our country. One of them is Dr. Peter Bourne, who helped me in Georgia to set up one of the finest drug treatment programs in the Nation. He's recognized as the foremost expert on alcoholism, drugs, their impact, and the way to control them properly. His wife, Mary King, is also one who has been very close to me. When I was campaigning for President, whenever I came to Washington, not having enough support or finances to afford a hotel room, I always slept on their folding bed and they always took me in.

And I'm very excited to know that Mary King, who is an expert on health care in all its forms, on the proper utilization of volunteer Americans, who has a sensitivity and a courage that's absolutely superlative, is willing to serve in an agency that will spread this kind of knowledge throughout the world.

The ACTION program is one that's involved with the Peace Corps, with VISTA, and with the recruitment and use of Americans—sometimes outside Government itself—who are willing to serve this country and other nations who are friends of ours.

I'm very grateful that Mary King is going to be the Deputy Director of ACTION. And when I asked her to serve, she said that she would do it if I would be present at her swearing-in ceremony. Nothing could have kept me away. Mary, I'm very proud of you. And I know this is going to be a great experience for you and for me both.

Another very crucial agency, as you know, is the Environmental Protection Agency. This is one that, in a practical way, administers the laws evolved by the Congress and the President to make sure

that the agencies of Government and business world, as well, are oriented toward the protection of the quality of life. There are many aspects of it: environmental impact statements, enforcement of quality of air and water.

And this requires men and women in administrative positions who are knowledgeable about law, who are thoroughly familiar with the rules that have been laid down in an administrative way, and who can deal with forcefulness and understanding with the State and local governments and with private industry to make sure that in the face of progress, which is inevitable, that we don't destroy what's precious to us.

Doug Costle has had broad experience in this field and will be the Director of this agency, and another very close friend of mine, Barbara Blum, who helped me get many of the Georgia laws passed against formidable opposition because of her courage and tenacity and because of her knowledge of environmental questions while I was Governor of Georgia.

And I'm very grateful that they are willing to serve as the two top leaders in this important agency, the Environmental Protection Agency. It's with a great deal of pleasure that I welcome them into the Government circles, and it's also with a great deal of pleasure that I thank them for being willing to serve.

This is going to be a competent, dedicated, courageous, tough partnership. And I believe that the people of our country can rest assured that in the years to come, that our quality of life will never be abridged nor will it deteriorate. And I hope that we can set a standard in this country that will be emulated by other nations around the world as we deal with kind of an unexplored opportunity to protect the things that are precious to us.

So, I am thankful to all of you for being willing to serve with us.

[At this point, Chief Judge David Bazelon, U.S. Court of Appeals, District of Columbia Circuit, administered the oath of office. The President then resumed speaking as follows:]

Judge, thank you very much.

This is my first experience in the Rose Garden, and I'm glad to be here where my predecessor enjoyed so many favorable press conferences.

NOTE: The President spoke at 2:24 p.m. in the Rose Garden at the White House.

Presidential Commission on Americans Missing and Unaccounted for in Southeast Asia

*Statement on the Commission's Trip to
Southeast Asia. March 12, 1977*

I have just met with Leonard Woodcock and the other members of the Presidential Commission who are about to leave for Southeast Asia to seek information on our personnel who are missing and unaccounted for and to express my interest in improving relations between our two countries. I am very grateful to these distinguished Americans for agreeing to help me fulfill my longstanding commitment to resolve this humanitarian problem. I am impressed with the deep concern and sense of purpose of the members of the Commission as they undertake their mission.

I am hopeful that this step we are taking will meet with a positive response and put in motion a process that will obtain the fullest possible accounting for our men who sacrificed so much for their country. At the same time, we recognize that information may never be available on many

of them. Some were lost over water, or over heavily forested areas and mountainous terrain, where information may never be found or will be very slow in developing. So we are not unrealistic in our expectations.

The Commission carries with it my personal best wishes, and I am confident it has the support of all Americans as well. I look forward to meeting with all of its members upon their return. I pray they will bring with them the assurance of an honorable resolution for the problem of our missing men. I also hope it will report that the Vietnamese share my desire to put the period of war behind us and look ahead rather than backward.

Department of the Treasury

*Nomination of Daniel H. Brill To Be an
Assistant Secretary. March 14, 1977*

The President today announced that he will nominate Daniel H. Brill to be an Assistant Secretary of the Treasury (Economic Policy). Brill is executive vice president of Commercial Credit Co., in Baltimore, Md.

He was born in New York City on April 23, 1918. He received a B.A. from New York University in 1936 and an M.A. from Columbia University in 1937. He did further graduate work at American University in 1938 and 1939.

Brill worked as an economist for the U.S. Bureau of Labor Statistics and the Securities and Exchange Commission from 1937 to 1946. He served in the U.S. Army from 1943 to 1946.

From 1947 to 1969, Brill worked for the Board of Governors of the Federal Reserve System. On leaving there in 1969, he held three positions: senior advisor to the Board, chief economist to the

Federal Open Market Committee, and director of the Division of Research. He has been with the Commercial Credit Co., since 1969.

At Commercial Credit, Brill has been responsible for developing new markets and new services and launched the company's international operations, including personally negotiating joint ventures in Japan, Spain, and Israel, and acquisition of a bank in France.

He is currently engaged in launching a new venture in computerized, worldwide transfer of science and technology. He serves on all management committees of Control Data Corp., the parent company, which deal with corporate-wide policies, strategies, and operations.

Brill is a member of the board of directors of several Dreyfus mutual funds, and is a member of the Brookings Panel on Economic Activity.

He is married and has two children. He resides in Silver Spring, Md.

Office of Drug Abuse Policy

Memorandum for the Heads of Certain Departments and Agencies. March 14, 1977

Memorandum for the Secretary of State, Secretary of Treasury, Secretary of Defense, Attorney General, Secretary of Labor, Secretary of Health, Education, and Welfare, Secretary of Transportation, U.S. Representative to the United Nations, Director of the Office of Management and Budget, Director of Central Intelligence, Administrator of Veterans Affairs

Subject: Activation of the Office of Drug Abuse Policy (ODAP) and Revitalization of the Strategy Council

Drug abuse continues to drain our human resources, especially from our youth,

with no end in sight. I am determined that we make every effort to reverse this trend, and, therefore, effective with the date of issuance of this memorandum do hereby establish the recently enacted Office of Drug Abuse Policy (ODAP). I look forward to early confirmation of the nominations which I have sent to the Senate of Peter G. Bourne and Lee I. Dogoloff for the positions of Director and Deputy Director respectively.

The Office of Drug Abuse Policy shall be responsible for carrying out the Congressional mandate specified in the law. In addition, and to the maximum extent permitted by law, the Director of ODAP is hereby directed to fulfill the following responsibilities:

- Recommend government-wide improvements in the organization and management of Federal drug abuse prevention and control functions, and recommend a plan to implement the recommended changes;
- Study and recommend changes in the resource and program priorities among all agencies concerned with drug abuse prevention and control;
- Assume the lead role in studying and proposing changes in the organization and management of Federal drug abuse prevention and control functions, as part of my promise to reorganize and strengthen the government operations; and
- Provide policy direction and coordination among the law enforcement, international and treatment/prevention programs to assure a cohesive and effective strategy that both responds to immediate issues and provides a framework for longer term resolution of problems.

In addition, I am abolishing the Cabinet-level committees concerned with international narcotics control, drug abuse prevention, and drug law enforcement created by previous Administrations, and am directing that the Strategy

Council, created by the Drug Abuse Office and Treatment Act of 1972, be revitalized and serve as the government-wide advisory committee for this problem area. Also, I am adding the Secretary of the Treasury and the Director of the Office of Management and Budget as fully participating members of the Council. The Director of the Office of Drug Abuse Policy shall serve as Executive Director of the Council.

The Council shall be supported by Working Groups for supply control and demand reduction, and be composed of personnel from each of the concerned agencies.

I am confident that you will provide your full support to ODAP and the Strategy Council in the performance of their tasks.

JIMMY CARTER

United States Arms Control and Disarmament Agency

Remarks at the Swearing In of Paul C. Warnke as Director. March 14, 1977

So far, I've had an opportunity to preside at some very important ceremonial installations of major officials—Cabinet officers and others.

I doubt, though, that there is a more significant appointment that can be made than the one that we are consummating this afternoon with the swearing in of Paul Warnke as the Director of the Arms Control and Disarmament Agency.

During very few times in the history of human beings has there been an opportunity for progress toward peace that affected every single person on Earth or which had the good will and good wishes of so many people in every nation on Earth, as we witness this afternoon.

For 30 years now, we've had with us the destructive power of atomic weapons, and we've almost become complacent about the terrible nature of the threat that exists.

I was very concerned about this threat and also hopeful about the opportunity to lessen the threat. And I thought and I prayed a lot about who ought to be chosen for this position. There was no doubt in my mind that Paul Warnke is the best man in this country to represent our Nation in dealing with the Soviet Union and, later, with all nuclear powers in reduction of nuclear threat to us.

I asked him to take the job a couple of times before he finally agreed. And I can say that he's been well trained for tough negotiations by some of the distinguished Senators behind me and their fellow Senators.

I appreciate what they've done in the Senate. He was confirmed for this position with, I think, 78 votes, just a few against him, and for the even tougher and more controversial job of negotiator for us, by a lesser vote, but still with a strong demonstration of confidence in him.

I think it's accurate to say that the 40 Senators who voted against Paul Warnke for negotiator share with me and with him, with Cy Vance, with Vice President Mondale, and with all the other Americans, hope that this year and later years might be productive in negotiating with the Soviet Union and others a new perspective of how we might alleviate the threat against us from atomic weapons.

I want to express my personal thanks to those Senators behind me who helped so much, and my mutual partnership with other Members of the Senate who did oppose this particular appointment, but who combined their efforts with mine in the future and with those of Paul Warnke to reach a successful negotiation with the Soviet Union.

This is a year when I believe the chances are fairly good for progress. We've been encouraged at some early signs, but it's going to take a man with a genuine desire for reduction of weapons—which is what Paul Warnke wants—with superb intellect, a knowledge of the history of the escalation in weaponry, a clear concept of what the American people want and will accept, and the ability to represent our own Nation's security at all times when he probes for better circumstances for world peace.

This is a hard thing, or a group of criteria, to put together in one person, but I believe it does exist in the heart and mind of Paul Warnke. I'm very grateful that he's been willing to accept this job. It's been difficult for him already. The tough cross-examination and the unwarranted criticisms, I think, have been weathered by him in good spirits.

And I want to pledge to him this afternoon that I personally, as President, and our Secretary of State, other officials in our executive branch of Government, I think the unanimous Members of the Congress, and the American people all wish him well.

Paul, I want to thank you again for being willing to serve.

And now Judge Gesell will administer the oath of office.

[At this point, Judge Gerhard A. Gesell, of the United States District Court for the District of Columbia, administered the oath of office. Mr. Warnke spoke briefly, and the President then concluded his remarks as follows:]

I would like to say before we adjourn that Secretary Vance will be leaving in a few days for the Soviet Union, and Paul Warnke will accompany him there.

This week the National Security Council, which has been working on the question of SALT negotiations for a number of weeks with me, will evolve a fairly final

position that Secretary Vance and Director Warnke will take with them. I believe the Soviet Union leaders attach a great deal of significance to this trip, and I think we have our own Nation's position in good hands.

I want to thank the Members of Congress who came to share in, with us, this ceremony. And I think, Paul, this indicates the strong support that you have, no matter what the votes were in the past. We're all behind you.

Thank you again.

NOTE: The President spoke at 1:35 p.m. in the Rose Garden at the White House.

Public International Organizations

Executive Order 11977. March 14, 1977

DESIGNATING CERTAIN PUBLIC INTERNATIONAL ORGANIZATIONS ENTITLED TO ENJOY CERTAIN PRIVILEGES, EXEMPTIONS, AND IMMUNITIES

By virtue of the authority vested in me by Section 1 of the International Organizations Immunities Act (59 Stat. 669, 22 U.S.C. 288), Reorganization Plan No. 4 of 1965, and Section 301 of Title 3 of the United States Code, and as President of the United States of America, and having found that the United States participates in the following organizations, it is hereby ordered as follows:

SECTION 1. The African Development Fund, in which the United States participates pursuant to Section 202 of the Act of May 31, 1976 (90 Stat. 593, 22 U.S.C. 290g) and the Agreement Establishing the African Development Fund, is hereby designated as a public international organization entitled to enjoy the privileges,

exemptions, and immunities conferred by the International Organizations Immunities Act, provided that such designation shall not affect in any way the applicability of the provisions of Article 43 of such Agreement or the Declaration made by the United States pursuant to Article 58 of such Agreement.

SEC. 2. The International Fertilizer Development Center, in which the United States participates pursuant to Section 301(f) of the Foreign Assistance Act of 1961, as amended (89 Stat. 866, 22 U.S.C. 2221(f)), and the Agreement entered into by the International Fertilizer Development Center with the United States and the Consultative Group on International Agricultural Research, is hereby designated as a public international organization entitled to enjoy the privileges, exemptions, and immunities conferred by the International Organizations Immunities Act.

SEC. 3. Executive Order No. 11269, as amended, is further amended by adding "and African Development Fund" after "Asian Development Bank" in Sections 2(c) and 3(d), respectively.

SEC. 4. Executive Order No. 11269, as amended, is further amended by adding to Section 3 thereof the following new subsection:

"(e) The Secretary of the Treasury is hereby delegated the functions conferred upon the President by Section 203(b) and Section 207 of the Act of May 31, 1976 (90 Stat. 593 and 594, 22 U.S.C. 290g-1 and 290g-5).".

JIMMY CARTER

The White House,
March 14, 1977.

[Filed with the Office of the Federal Register,
10:23 a.m., March 15, 1977]

NOTE: The Executive order was not issued in the form of a White House press release.

Department of Commerce

Nomination of Elsa A. Porter To Be an Assistant Secretary. March 15, 1977

The President today announced that he will nominate Elsa A. Porter to be Assistant Secretary of Commerce for Administration. Ms. Porter is presently Chief of the Analysis and Development Division in the Bureau of Personnel Management Evaluation of the U.S. Civil Service Commission in Washington.

Ms. Porter was born on December 19, 1928, in Amoy, China. She received a B.A. degree from Birmingham-Southern College in 1949, an M.A. from the University of Alabama in 1959, and an M.P.A. from Harvard University in 1971.

From 1960 to 1962, she was a research assistant in the Foreign Language Development Program of the U.S. Office of Education. In 1962 and 1963, she was a writer in the Office of Public Information, Office of the Secretary of Health, Education, and Welfare.

Ms. Porter served as an information specialist in the Public Affairs Branch of the Agency for International Development in 1963 and 1964, and was a staff assistant in the Office of Public Affairs, Office of the Secretary of Health, Education, and Welfare from 1964 to 1967.

From 1967 to 1969, she was Director of the Special Projects Staff in the Office of Personnel and Training, Office of the Secretary of HEW. In 1969 and 1970, she served as Chief of the Career Development Branch in that office.

In 1971 Ms. Porter was Chief of the Manpower Planning and Staffing Branch in the Office of Personnel and Training (HEW). She was Assistant Administrator for Organization Development, Social and Rehabilitation Service at HEW from 1971 to 1973.

Ms. Porter was Director of the Clearinghouse on Productivity and Organizational Effectiveness, U.S. Civil Service Commission, from 1973 until 1976, when she became Chief of the Analysis and Development Division, Bureau of Personnel Management Evaluation, at the Civil Service Commission.

She is a member of the American Society of Public Administration, the International Personnel Management Association, Women's Equity Action League, and Common Cause. She has had several articles published.

Ms. Porter is married. She and her husband have six children and reside in Alexandria, Va.

Department of Health, Education, and Welfare

*Nomination of Ernest L. Boyer To Be
Commissioner of Education. March 15, 1977*

The President today announced that he will nominate Ernest L. Boyer to be Commissioner of Education. Boyer is presently chancellor of the State University of New York, in Albany, N.Y.

He was born in Dayton, Ohio, on September 13, 1928, and received an A.B. degree in 1950 from Greenville College. He received an M.A. in 1955 and a Ph. D. in 1959 from the University of Southern California. Boyer pursued postdoctoral studies in medical audiology at the University of Iowa Hospital.

Boyer was academic dean and a professor of speech pathology and audiology at Upland College from 1956 to 1960. From 1960 to 1962, he served as director of the Commission to Improve the Education of Teachers for the Western College Association.

From 1962 to 1965, Boyer was director of the Center for Coordinated Education

of the University of California at Santa Barbara. He has been at the State University of New York since 1965, serving as executive dean, vice chancellor of the university, and since 1970, chancellor of the university.

Boyer has served on the President's Advisory Council on Women's Educational Programs, the Commission on Critical Choices for Americans, the New York Regional Panel of the President's Commission on White House Fellowships, and the National Commission on the Financing of Postsecondary Education.

Boyer is married and has four children. He resides in Albany, N.Y.

Clinton, Massachusetts

*Remarks and a Question-and-Answer
Session at the Clinton Town
Meeting. March 16, 1977*

ALAN JEWETT. *Mr. President, members of the clergy, distinguished guests, ladies and gentlemen:*

On behalf of the board of selectmen and all of the citizens of the town of Clinton, I wish to extend a warm welcome to the President of the United States, Jimmy Carter.

I believe I can speak for all Clintonians, Mr. President, when I say your visit to our beloved town has created a spirit of civic pride equaled very few times since the incorporation of this town in the year 1850. We are proud to have been chosen as the first town in the Nation to participate in your meet-the-people program. With the knowledge of Clinton's proud heritage as evidenced by the many sons and daughters who have served their country and left their marks on the lives of Americans, it is a warm tribute to be number one.

We are confident that this meeting will be the forerunner of a successful nationwide visit with the common, ordinary American citizens, such as we have here.

We are also quite pleased that you are fulfilling your campaign promises to bring the Federal Government back to the people, to allow their thoughts, their inputs, their ideas into the administration's programs that will be presented to Congress in the coming months.

This is truly government of the people, by the people, and for the people. We believe, Mr. President, that after many years, we once again have an administration that will be responsive to the needs of the country and its people.

At this time, we also wish you a happy St. Patrick's Day.

It is indeed an honor and a personal privilege to be able to introduce and present the President of the United States of America to this meeting.

Ladies and gentlemen, Jimmy Carter.

THE PRESIDENT. Thank you very much.

A number of weeks ago I told my staff to choose an average American city for me to start with my people-to-people effort. They made a terrible mistake, because this is no average city; this is an extraordinary city.

You've chosen a wonderful chairman of your selectmen. Anybody who has parents so well prepared that they have a son who is born the day before St. Patrick's Day has very good judgment. I want to wish Alan Jewett a happy birthday.

It just gives you one more day to celebrate St. Patrick's Day.

I understand that about 4,000 people filled out coupons and put them in to be drawn out to see who would come here tonight, and that the ones who are here were the losers and the rest of them are celebrating. [*Laughter*]

It's really a great tribute to me and to our country and to the office of the President that you are willing to, in effect, compete for a chance to come to meet with a political leader. I've studied about Clinton, about your background and your history, about the character of your neighborhoods, about your special problems and your special achievements, about the kind of people who live here. And it makes me proud to be an American.

This beautiful building was constructed just so average citizens like yourselves could come here and decide your own governmental affairs, make your own decisions, stand on your own feet, debate complicated issues, and make a judgment about your own future and the future of your children.

I think the fact that you and your ancestors have participated in this sort of open democracy is what led up to the kind of participation that you still expressed on Election Day. There are about 7,000 registered voters in this city. In the last Presidential election, 6,200 voted—88 percent—which shows how interested you are in government. And I have to say that you showed superb political judgment because I won—I won by a 2 to 1 majority here. I want to thank you for it.

I am not going to take any time making a speech. I would like to outline for your thoughts just a few things that are my responsibility now as your President.

ADMINISTRATION POLICIES

I've never served in our National Government before January. I've never served in Washington. I've served in government at the town meeting, at the county level, and in the State legislature, and as Governor. I haven't been in politics very long. I've got a lot to learn and I'm eager to learn. I don't claim to know all the answers and the day I leave the White

House and another President takes over, I still won't know all the answers.

There are a lot of mistakes that could be made. But I believe that what gives me a sense of confidence in myself and confidence in the Nation is the support and participation, the questions and suggestions, the criticisms of people like you who love your country, who don't want any selfish advantage, who want to be treated fairly and who want to help decide on a national level, as you do here in this town hall, your own future.

This gives me a sense of security and confidence. It also causes me to be even more deeply dedicated to make the right decisions. We are moving very rapidly to correct some of the problems in our National Government. We're trying to re-cement the ties that exist historically between the Federal, State, and local levels of government; to tear down the barriers and the walls that have been built in recent years, so that I can learn from selectmen and mayors and Governors and State legislators and so that there can't be a difference that handicaps us.

I'm deeply concerned about the unemployment rate in our country. I believe that in a nation like ours, everyone who is able to work ought to work and ought to have a chance to work. I presented to the Congress an economic package that's conservative in nature, fiscally speaking, but also will put hundreds of thousands of Americans back into productive jobs, and particularly young people.

About \$15½ billion will be spent this year either to cut down in your taxes or to provide direct public works projects or to provide jobs—most of the jobs in private industry where they will be permanent, some jobs in the public sector—and the Democratic Congress and many Republicans have been working very closely with me. I believe, without major change,

this economic stimulus package will be on the lawbooks without too much delay.

On April 20, just about a month from now, we will propose to the Congress and to the American people—I will make a speech to the Joint Session of Congress—a comprehensive energy policy. We've not had one in this country ever. Other developing nations know what they're going to do in the future to deal with changing times in energy supplies.

Your own part of the country has been deeply wounded by not having adequate supplies of energy. In Massachusetts about 85 percent of all your energy comes from oil, petroleum products. About half of that is imported. You don't know what is going to happen next. Energy costs have gone up terribly rapidly in your area of the country. When major companies have five or six plants and in the past one of them has had to be shut down because of changing times, quite often the decision has been made to shut down the plant in New England because of unpredictability and because of a lack of understanding about what would happen in the supply and price of energy.

On April 20, I will present to the Congress a plan developed primarily by Dr. James Schlesinger on what our Nation can expect in the future relating to energy. We are forming a new Department of Energy. We now have 50 different Federal agencies scattered all over Washington—all over the country as a matter of fact—supposedly dealing with this crucial question.

In the future it'll be consolidated so that you will know who makes a mistake if one is made and you'll know where to go to get an answer. Bureaucrats, consumers, and producers of energy will know how to focus their attention on solving a problem that's going to get worse for us in the future no matter who's President, no matter how good a job I do.

On May 1, Joe Califano, a tough, knowledgeable administrator, who now is trying to bring order out of chaos in the Department of Health, Education, and Welfare, will come forward, after working with Mike Dukakis and many other Governors and local officials, and propose to the Congress a comprehensive revision of the entire welfare system. This has needed to be done for many years. It hasn't been done. We've had too many people who are able to work drawing welfare, and we've had an inadequate amount of attention given to those who cannot work. We've had homes divided because of silly welfare rules.

We're going to do everything we can to bring our families back together and have a welfare program that's humane, that's efficient and economical and which forces people into jobs who are able to work.

Next September 30, we will complete an analysis of the entire income tax structure. As I said many times during the campaign, and the last time in my acceptance speech, the income tax laws in this country are a disgrace to the human race. The people who are not powerful, who are not influential, who don't have full-time, paid lobbyists to carve out special privilege in the tax laws, have suffered too long. And I give you my promise that next September 30, after long, detailed, laborious analysis of the horribly complicated income tax laws, we will come out with a simpler system, so that 75 or 80 or 85 percent of all of you in this country can fill out your own income tax returns without anybody helping you, and so that you will feel that you are not getting cheated and you will feel that everybody is paying their fair share.

Those are our goals. And I don't intend to lose. I don't intend to lose that struggle.

I think the Congress has been eager to correct problems in energy and correct problems in environmental quality and correct problems in employment and have a fair tax structure and bring order out of chaos in welfare. The Congress is eager to do it, and I am eager to meet them halfway.

In the field of foreign affairs—and this is the last thing I want to talk about—I've done a lot of studying. I trust the American people. I've been criticized by some in the news media in the last 8 weeks about telling the American people too much. I've removed the restrictions on American travel overseas. I believe that an American citizen ought to be able to go wherever that person wants to go without the Government telling him.

We're going to try to open up our borders for a change so visitors can come to our country. They may not be popular people, but I think our system of government is strong enough to have someone come into our Nation and make a speech at Yale or Harvard or here in your own town, with whom you may not agree.

I want to see our country set a standard of morality. I feel very deeply that when people are put in prison without trials and tortured and deprived of basic human rights, that the President of the United States ought to have a right to express displeasure and to do something about it.

I want our country to be the focal point for deep concern about human beings all over the world. I am trying to search with the Soviet Union for a way to reduce the horrible arms race, where we've spent billions and billions and billions of dollars on atomic weapons. We are no more secure now than we were 8 years ago or 12 years ago or 16 years ago. We're much more deeply threatened by more and more advanced weapons. So, we are dealing with the Soviet Union, quietly and

diplomatically and, I hope, effectively, to search out a way to reduce dependence on weapons without damaging at all our Nation's own security.

We have problem areas around the world, as you know, in the Middle East, in southern Africa, in the Horn of Africa, in the eastern Mediterranean around Cyprus. We're not trying to impose our will on other people. But when we can add our good offices and the strength of our country to bring potential warring nations together, we'll do this. And I think the American people have enough intelligence and enough judgment to be told what's going on.

In the past we've had too much of top Government officials going off in a closed, locked room and evolving a foreign policy for our country and negotiating in secret and then letting the American people know about it when it's all over. I want you to know about it ahead of time, and you can depend on that when I tell you.

In closing my talk, before I answer questions, I want to say this: I really thank you for making me feel so welcome. There are literally thousands and thousands of people who live in the Clinton area who have lined the streets outside to wave at me and to hold up signs that said "Welcome, Jimmy" or "Hi, Jimmy" or "We love you in Clinton." It means a lot to me.

And I thank you for being willing to come here tonight to talk to me and to ask me questions so that I can learn and so that you can learn. And many people will know what you ask tonight, and they will know about my answers. And if you ask me questions that I can't answer, and that's sure to happen, I'll get the answer for you and send it to your local news media, so that it can be published in the next couple of days, because I do have people working with me that can answer the questions for me.

This is a learning process. I'm very eager now to take the first question. If you would just tell me what your name is, and then I'll try to answer as best I can.

QUESTIONS

THE MIDDLE EAST

Q. My name is Reverend Richard Harding, and, President Carter, it's a pleasure to welcome you to the number one Everytown, U.S.A.—Clinton, Massachusetts.

I would like to ask you, Mr. President—it seems that world peace hinges greatly on the Middle East.

THE PRESIDENT. Yes.

Q. What do you personally feel must be done to establish a meaningful and a lasting peace in that area of the world? Thank you.

THE PRESIDENT. I think all of you know that there has been either war or potential war in the Middle East for the last 29 years, ever since Israel became a nation. I think one of the finest acts of the world nations that's ever occurred was to establish the State of Israel.

So, the first prerequisite of a lasting peace is the recognition of Israel by her neighbors, Israel's right to exist, Israel's right to exist permanently, Israel's right to exist in peace. That means that over a period of months or years that the borders between Israel and Syria, Israel and Lebanon, Israel and Jordan, Israel and Egypt must be opened up to travel, to tourism, to cultural exchange, to trade, so that no matter who the leaders might be in those countries, the people themselves will have formed a mutual understanding and comprehension and a sense of a common purpose to avoid the repetitious wars and death that have afflicted that region so long. That's the first prerequisite of peace.

The second one is very important and very, very difficult, and that is the establishment of permanent borders for Israel. The Arab countries say that Israel must withdraw to the pre-1967 borderlines; Israel says that they must adjust those lines to some degree to insure their own security. That is a matter to be negotiated between the Arab countries on the one side and Israel on the other.

But borders are still a matter of great trouble and a matter of great difficulty, and there are strong differences of opinion now.

And the third ultimate requirement for peace is to deal with the Palestinian problem. The Palestinians claim up 'til this moment that Israel has no right to be there, that the land belongs to the Palestinians, and they've never yet given up their publicly professed commitment to destroy Israel. That has to be overcome.

There has to be a homeland provided for the Palestinian refugees who have suffered for many, many years. And the exact way to solve the Palestinian problem is one that first of all addresses itself right now to the Arab countries and then, secondly, to the Arab countries negotiating with Israel.

Those three major elements have got to be solved before a Middle Eastern solution can be prescribed.

I want to emphasize one more time, we offer our good offices. I think it's accurate to say that of all the nations in the world, we are the one that's most trusted, not completely, but most trusted by the Arab countries and also Israel. I guess both sides have some doubt about us. But we'll have to act kind of as a catalyst to bring about their ability to negotiate successfully with one another.

We hope that later on this year, in the latter part of this year, that we might get all of these parties to agree to come together at Geneva, to start talking to one

another. They haven't done that yet. And I believe if we can get them to sit down and start talking and negotiating that we have an excellent chance to achieve peace. I can't guarantee that. It's a hope.

I hope that we will all pray that that will come to pass, because what happens in the Middle East in the future might very well cause a major war there which would quickly spread to all the other nations of the world; very possibly it could do that.

Many countries depend completely on oil from the Middle East for their life. We don't. If all oil was cut off to us from the Middle East, we could survive; but Japan imports more than 98 percent of all its energy, and other countries, like in Europe—Germany, Italy, France—are also heavily dependent on oil from the Middle East.

So, this is such a crucial area of the world that I will be devoting a major part of my own time on foreign policy between now and next fall trying to provide for a forum within which they can discuss their problems and, hopefully, let them seek out among themselves some permanent solution.

Just maybe as briefly as I could, that's the best answer I can give you to that question.

Q. Thank you, Mr. President.

THE PRESIDENT. Thank you.

OCEAN OIL SPILLS

Q. Mr. President, my name is John Olgan. I live at 31 Norman Street, here in Clinton.

In recent months we've had a large number of oil spills off the eastern coast, some that have done lots of damage to our fishing waters and our beaches. I've heard that a lot of the oil spills have been caused by old foreign vessels that are often overloaded.

I wonder if you could tell me what the Carter administration is doing now to try and resolve that problem.

THE PRESIDENT. Yes. Just coincidentally, this morning I signed a special message to the Congress covering the entire subject of oil spills and how we might prevent them in the future and how, when they do occur, they might be quickly corrected and how damaged people might be provided with insured compensation for the damage that they suffer.

As you know, on the first day of March we began our 200-mile limit control of fishing waters. And that will provide us, I think over a 4- or 5-year period, with a good chance for American fishermen to have an increasing supply of fish, rather than a decreasing supply. But in the message to the Congress that I sent today is proposed a wide range of corrective actions. One would be mandatory insurance coverage by vessels that come in and out of our waters.

The second one is to join other countries in requiring that new oil tankers constructed have double bottoms and other very secure construction features, so that if they do strike a reef or something, then the oil spills will be minimized.

Another one is to have the Coast Guard go on every single oil tanker which comes into our country ports, after this week, to inspect that tanker, to see if it complies with international safety standards, navigation standards, and to see if the crew are adequately trained to bring that ship in and out of our own ports safely.

Following that first inspection, a complete record by the Coast Guard will be maintained. Annually, that same ship will be inspected by the Coast Guard when it makes subsequent trips to our shores. But I think the Congress is ready to move on this subject. And I think that it will mean in the future that we'll have much less damage to our beaches and much less fear

among the American people of the damage that comes from oil spills to fish, wildlife, and the quality of the oceans.

Does that answer your question?

Q. It does. Thank you very much.

THE PRESIDENT. John, if you would see one of my staff members, I'll have them mail you a copy of my message to Congress, which goes into that subject in a little more detail.

ARMED FORCES RESERVES

Q. Mr. President—

THE PRESIDENT. Where are you?

Q. Right here. Raymond Doleman, 16 Elm Street.

Have you had a report on the in-depth study of the Armed Forces Reserve program, and if so, is a future draft into the Reserves being considered?

THE PRESIDENT. I have had a fairly good report on the problem with the present volunteer recruiting program. We are meeting our quotas on the regular Armed Forces—the Navy, Marines, Air Force, and the Army. We are falling short on recruitment for the Reserve forces. Out of about 7 or 800,000 members who are supposed to be in the Reserve forces, we are now about, I think, 80,000 short. This is of concern to us. We are trying to make sure that the Reserve forces that are there are more highly trained and will be given equipment, ammunition, and more closely trained to fit in well with the regular forces if an emergency should arise.

We are not yet planning in any way on restoring the draft. But this is something that's constantly under assessment. If I consider, as President, that a restoration of the draft is necessary for the security of our Nation, I will not hesitate one day to recommend it to the Congress.

We are monitoring the problem. We hope by better recruiting methods and by

a restoration of the sense of patriotism and the quality of the Reserve supplies and training to build up that recruitment. And I hope that this in itself will be adequate. But in the long run, if needed, I would recommend a restoration of the draft.

Q. Thank you, Mr. President.

THE PRESIDENT. Thank you, sir.

THE TRUCKING INDUSTRY

Q. Mr. President, my name is George J. Olberg. I am vice president of New England Independent Trucking Association.

Mr. President, you ran for office on a platform probably based on ending the mountainous and burdened and outdated regulation which force higher taxes and consumer costs, such as restrictions in transportation which force tens of thousands of trucks to criss-cross the country empty, thus wasting millions of gallons of fuel and millions of valuable man-hours. In order to avert justifiable criticism of your administration and head off more turmoil in trucking and correct a tremendous injustice in transportation which favors the monopolies, would you therefore actively engage in promotion of House bill 2443 and then vote in favor of it when it appears on your desk for your signature? Or will you instead allow a transportation policy to be dictated by your Secretary of Transportation who has not yet agreed to allow independent truckers to compete for freight on equal footing with the monopolies, a policy which ignores the wishes of shippers, including the American Farm Bureau Federation, and more than 100 pages of congressional testimony by the Independent Trucking Association. In short, Mr. President, the question is not what should be done, but when.

THE PRESIDENT. Fine. Thank you. I always like to get the completely objective question. [*Laughter*]

My staff has begun to assess the need for deregulation of the transportation industry as much as possible.

The first step in that process has now been completed. And I've already sent to the Congress a message which supports Senator Kennedy's bill and Senator Cannon's bill to deregulate to a major degree the airline industry.

The next one on the list will be the surface transportation industry, which would certainly have the trucking industry as a major factor.

In the energy considerations, it's obviously a gross waste to have trucks required to haul a load a long distance and then, because of unnecessary constraints by the Government bureaucracy, have to come all the way back home empty. I think that we need to do away with that particular requirement, at least.

And I would also like to have your name and address given to one of my staff persons, because within the next few weeks, we will have completed our assessment of the regulation of the motor trucking industry, as we have already done in the airline industry. But I think that in general, I and the Secretary of Transportation, Brock Adams, favor substantial deregulation of all aspects of the transportation industry. And I believe that's something that you would favor.

Q. Thank you, Mr. President.

THE PRESIDENT. Thank you, Mr. Olberg.

DEFENSE SPENDING

Q. Sir, my name is Robert Curley, 10 Fall Street, presently, sir, stationed down near Fort Devens. I would like to know your stand on this issue, and also since I've been in the service, I've noticed a tremendous amount of waste. What is

your stand or your position going to be on cutting down on military spending?

THE PRESIDENT. What did you say just before waste, military—

Q. What is your stand on Fort Devens, the closing or the opening of—

THE PRESIDENT. I understood that part. And the part about waste?

Q. Since I've been in the service, I've noticed a tremendous amount of waste through the service. What is your plan on it?

THE PRESIDENT. Fine. All right.

When I campaigned for 2 years in our country, in, I think, every State, I never promised in order to get votes that I would keep a particular military base open. I would like to make a judgment in every instance on what I think is best for our country. I'm not familiar with the Fort Devens question. I know that back almost a year ago the decision was made to phase out part of the Fort Devens operation.

I would not promise you tonight, even though we are in the neighborhood, that I would change that order and keep it open. But I will make sure that before a final judgment is made that I will meet with personally your Members of the Congress, including your Senators and your Congress Members, and also the Secretary of Defense and the Deputy Secretary of Defense, to assess as practically as I can, if it's best for our country to shut down that part of Fort Devens that's under consideration.

I can't give you an answer about whether it will be shut down or not. But it won't be done lightly.

Secondly, if a decision is made to close down part of the Fort Devens operation, I'll do all I can as President, again working with your Governor and your local officials and your congressional delegation, to replace as many of those jobs as possible, not just in training programs

under the Labor Department and so forth, but in permanent jobs, because there are a lot of new kinds of Federal programs that are coming along in years ahead. And I think it's only fair that when military bases are phased out to some degree, that when there is an option there, that we put those new Federal jobs in the same locality to keep the unemployment rate from going up very high.

I know, as you do, that there is a great deal of waste in the military. I believe in a strong defense, and I will never permit as President any possibility of our Nation being vulnerable to successful attack or threat of attack or blackmail from any other country.

I want to keep us strong. But you don't create military strength by waste and inefficiency in the military. I promised during the campaign that I would identify and cut out \$5 to \$7 billion of waste in the military. I believe that we can do this.

There are many ways that it can be done. One is to eliminate the building of weapons systems that are not needed. Another way is to cut down on the gross overload of high rank officers in the military. They've grown by leaps and bounds since the Second World War.

Another way is to make sure that we don't transfer military personnel so frequently. Now the average stay on a base of anyone in the military is only about 15 months. At any one time we have about one-seventh of our military people who are either being transferred or are on temporary assignment.

We also need to make sure that we cut down on the future costs of the retirement systems in the military. Quite often they are excessive, and I don't think it's right for the taxpayers of our Nation to have someone go into the Army or Navy at the age of 21, serve 20 years, retire at the age of 41, draw a substantial retirement benefit, and then get a full-time job

working with the Federal Government. It's called double-dipping. I think it ought to be eliminated.

So, there are a lot of things that can be done to save in the military. And I think when our fiscal year 1979 budget is put together, we can satisfy you and others that it is much more efficient in many ways.

Obviously, I haven't mentioned all the things that can be done. More careful planning, quicker construction of navy ships, staying on schedule with the production of other weapons systems, standardizing weapons systems, for instance, with our NATO allies, phasing out unnecessary overseas bases, things of this kind are all under consideration now.

So, I thank you for your good question. I hope I have answered it successfully. I can't tell you what the final decision will be on Fort Devens. I'll just make a decision on what's best for our country. I'll consult with the local officials if we do close down parts of it. I'll do all I can to keep those jobs, as many as we can, in the Fort Devens area.

Q. I appreciate that, Mr. President.

THE PRESIDENT. Thank you.

VIETNAM ERA VETERANS

Q. Francis X. Boyce, 39 Centennial Street, Clinton, Mass.

Mr. President, I'd like to know if you have any legislative proposals in regard to the Vietnam veterans? They have a very high rate of unemployment; the 21 to 30 category. And, as a result, I think if you will look in your figures, you see figures, you will find as the category they have one of the highest rates of unemployment without any job opportunities. And under Federal civil service, they seem to be only paying lip service to them, and minorities seem to have the upper hand

at the present time rather than the Vietnam veteran.

I would like to know that.

THE PRESIDENT. Well, I'll quote a couple of statistics for you. The Vietnam veterans on the average have twice as high an unemployment rate as other young men and women of their age. Also, among those who served in Vietnam, there were about twice as high a percentage of minority groups as there were other groups, because quite often they are poor and they couldn't hide in college and avoid the draft.

So, I think that we are moving now in the Labor Department to put together a special program for Vietnam veterans. The Congress has recently decided to extend GI Bill of Rights benefits for the full 10 years, which will help a lot of those who would have lost their education opportunities from losing those opportunities. Also, for the first time in my lifetime we've got quite a young man, who's familiar with the recent war, in charge of the entire Veterans Administration itself. I appointed Max Cleland, who happens to be a triple amputee and who's a very tough, young administrator, to be in charge of the Veterans Administration.

So, I think that a move on special programs in job opportunities and extension of the GI Bill of Rights and other rights for Vietnam veterans and a change in the administration of the Veterans Administration to orient itself toward the Vietnam veterans who have never been appreciated are three of the things that we can do immediately. Two of them have already been done. And as soon as the Senate and House pass our economic stimulus package, a tremendous number of new jobs will be available for the Vietnam veterans. They will have top priority under the new jobs and training program.

Q. Thank you, Mr. President.

ABORTIONS

Q. Mr. President, I'm Eleanor Filman, 156 Main Street.

It's so nice to have a man who will stand up before us and say he has moral convictions and he's interested in human rights. We are, too.

We are very, very happy that you came out and spoke against Federal fundings for abortions. And our elected Congressmen and Senators voted down Federal funding for abortions. Now, I want to say, what more can you do for us? Can you put out an Executive order holding back the money until this is settled in the courts?

THE PRESIDENT. As you know, I have to abide by the laws of the land as interpreted by the courts. Joe Califano, who's the new Secretary of HEW, feels the same way I do against abortions. I think he has done everything possible within the law to prevent Federal funds from being used to pay for abortions.

I would like for the Congress to take whatever steps they can under the Constitution to eliminate this encouragement for abortions.

I think that this is something that is more deeply felt by people than any issue that arose during the recent campaign. And I don't know what else I can do, except under the law itself and with the appointment of my own top administrators, to try to hold down the need for abortion.

The other thing that we will do is this: Under the new and revised welfare system, we'll do everything we can to provide a permanent, nationwide system of family planning, to make sure that as much as humanly possible to encourage that every child is a wanted child. And we'll try to give families a chance to make sure that they can avoid unwanted pregnancy with adequate instruction, to provide birth con-

trol opportunities for those who believe in them, and also make sure that there is a government attitude to discourage abortions as much as possible.

But there is a great deal, as you know, that we cannot do to prevent abortions completely. But what we can do under the law we are doing and we'll continue to do it.

Q. Thank you very much.

THE PRESIDENT. I think that's the first time I've ever given an answer on abortion and got applauded. I always give the same answer but about half the time I get—*[applause]*—

EDUCATION

Q. Mr. President, my name is Eleanor Mikolf, and I am a sophomore student at Clinton High School. At present the situation on education is the colleges are constantly raising their tuitions when there are no jobs available. Is it going to be worth my while in 2 years to go to college?

THE PRESIDENT. Yes. Yes, I believe it will.

There is a strong trend in our country now toward more career or vocational training and away from a college education.

Ultimately, in a person's life I don't think it makes that much difference. This is a choice that each person has to make. And I know that the most important consideration is that when you finish a training program as a licensed practical nurse or a stenographer or an automobile mechanic or a bricklayer or when you get a Ph. D. in physics or philosophy, the major thing is to have a way to be employed when your education is over and to use your only life that God gives you here on Earth to a useful and productive way.

And that's why the unemployment rate in our country concerns me so much. I

think we've got so many needs in our society. I think there is going to be a shift towards human services. We've got such a far way to go to provide adequate health care for our people, particularly the prevention of disease. We've got a long way to go in taking care of those who are mentally retarded, who are permanently ill.

We need to expand tremendously the use of Americans as volunteers who work with prisoners who have been put on parole or those who are on probation, or to work in every part of our social services life; older people have so many productive years left with them. But I think if we can move in our own Government—and it's going to take a while—to match job needs with people who are looking for jobs, I think that the unemployment rate can be brought down tremendously.

We've got hundreds of thousands of job openings now in the same communities where we are paying welfare benefits to people who are able to work. And if we can just get for a change the Labor Department and HEW and the Economic Development Administration and HUD to all work together, I think that we can solve the problem that you describe.

So, as a young person yourself, I hope that you will continue your education. And I hope that by the time you graduate we will have done something about the unemployment rate so that you can get a job without any problem.

Q. Thank you very much, Mr. President.

THE PRESIDENT. Thank you.

We did an opinion poll about 2 or 3 weeks ago throughout the country, and we asked the people, "What is the thing that bothers you most?" And by far, the number one item was unemployment. "Someone in my family"—my husband, my wife, my grown children—"just can't get a job." So that's the number one situation we have economically—is to put our peo-

ple back to work. If we can, I think that we can do it and hold down inflation, deliver proper services to our people. And I promise by the time I go out of office, or by fiscal year 1981, to have a balanced budget. And I'm intending to keep that promise.

NATIONAL HEALTH INSURANCE

Q. Mr. President, I am Mrs. Anthony A. Cavone, Sr.

Do you intend to develop national health care, and if your answer is yes, how do you intend to handle the problem of higher Federal taxes because of this type of program?

THE PRESIDENT. All right. I'll try to answer this question as best I can.

We now spend more than any other nation on Earth on health care. I think that it runs about \$5 or \$600 a year per person. But we are not getting good health care because quite often the price of the health care we get has gone up about 15 percent per year when the average inflation rate has only been about 5 or 6 percent a year.

In some cases we are not giving adequate prevention of disease. For instance, the immunization program for children is not nearly as good as it was when I was 6 or 7 years old—and that's been a long time ago. I think that we also can control the unnecessary increase in hospital costs. We can shift more toward outpatient treatment instead of having patients have to go in the hospital to get help with their hospital bills. I think we can make sure that we understand that these programs that are presently in existence in the Federal Government quite often work at cross purposes.

We now have 10 major agencies that are responsible for health care in the Federal Government. Up until I came into office, Medicaid was in one agency, Medi-

care was in a different agency. They did not even communicate with one another. They quite often take care of the same people. The certification of good health care was in another agency.

So, the reorganization of the Government first, which we can do very shortly, holds down in a mandatory way the increase in the total amount of expenditures of hospitals, makes sure that we have an emphasis on prevention of disease, particularly among young people—we've already moved on all of these items. And the last thing is to develop a comprehensive health care system.

I think if we expend not much more money than we are spending right now on health care, if it's done in a comprehensive and proper way, we can have good health care for our people. We might shift the way it's paid for. But I think we can have good health care without spending much more money on it.

Q. Thank you.

THE PRESIDENT. Thank you.

I might say, since he's here, that Senator Kennedy has been the leading Member of Congress in many of the items that I've discussed tonight. And I've been blessed so far with very close and very good cooperation from the Members of the Congress, and that's making it much easier for me to do some of the things that I promised to do during the campaign.

Yes, sir?

ZERO-BASE BUDGETING

Q. Bill Clinley, 26 Cotchelay Street. I'd like to welcome you to Clinton, Mr. President, and tell you that we consider you one of us, a man of the people whose energies are directed toward the welfare of the average citizen.

We ask that despite the many pressures which are exerted upon you to mold

your programs to conform to special interest groups, whether they be labor, business, energy, insurance, environmentalists, consumer advocates, and the like, we have faith that you will always place our interest above all of these.

Briefly, our concerns are like those of most other working Americans—inflation, the loaf of bread that cost us a dime in 1939 and costs almost \$1 today. You know that.

Unemployment, you know, the people who have worked their whole lives and have lost the jobs can no longer find a decent job or, if they can, they are asked to accept \$2.30 per hour—a total of \$92 a week.

Another concern is welfare. What started out in the thirties as a stop-gap measure to keep people from starving has developed into a way of life for many people.

Taxes, right now we're paying almost a third of our salaries to Federal and State taxes.

THE PRESIDENT. Bill, do you have a question?

Q. Yes, I do. I want to commend you on your zero-based budget concept, and I'd like to suggest that when you propose a piece of legislation or sign a bill into law that you issue a people-impact study to tell us honestly and clearly what we are receiving and how much it's costing us. And, in conclusion, I'd like to tell you that we trust you, we pray for you, and we'll follow you in your efforts to make the country a better place than it was when you were elected President.

THE PRESIDENT. Thank you very much. That was kind of a long statement, but I liked it. *[Laughter]*

I might say that I found out at first-hand when I got to the White House how much food costs were. We have to pay, of course, all of our food bills in the White House ourselves, and they keep a separate

accounting for everything that's done for me and my family and all our guests, even when we have a head of state come and stay with us in the White House. We pay for the food.

And we got our bill for the last 10 days of January, from January 20 until the end of the month. It was \$600—for 10 days. So, I know from firsthand. We've been really watching the food bill since then. So, I'm in the same boat with you.

I might say one other thing: The 1979 fiscal year budget which is the one that's being prepared this year, will be prepared, Bill, in its entirety using the zero-based budgeting system. Zero-based budgeting means that every year you start from scratch. And when the budget is put together, ordinarily, the only thing that the President and the Congress look at is the new things that are added on. Anything that has been there all the time is not even looked at.

Under zero-base budgeting you start from zero, and you not only look at the new things but you look at all the old things. So, I think we can save a lot of money using zero-base budgeting. And if we can get the Federal Government reorganized—and the Congress is really moving well on this proposal of mine—and put in zero-base budgeting and then go forward with the idea of what they call "sunset legislation"—and sunset legislation means that when you set up a regulatory agency or something, at the end of 5 years, the Congress has to look at that agency and if it's not doing a good job, it's automatically terminated; the Congress has to vote a new law for that agency to continue on—so, I believe if we can put into effect some of these things that have been done in many States around the country, we'll have a much better chance to meet my goal of a balanced budget before my term is over.

Yes, sir?

THE JUDICIAL BRANCH

Q. Mr. President, my name is Billy Constantino, and I live on Layton Avenue.

The theme of this meeting seems to be citizen participation. I have a question appropriate to that, Mr. President.

THE PRESIDENT. Fine.

Q. During the last several administrations, many of the major domestic questions have been decided by the Federal judiciary and not by the consent of those people that are governed. Many decisions seem to be made in judicial chambers and not in the halls of Congress and not in the White House.

I know, Mr. President, that there are many well-meaning Federal judges and that they must interpret the Constitution. But it seems to me that sometimes, in the guise of constitutional interpretation, some Federal judges impose their biases and their ideologies on the average American citizen.

THE PRESIDENT. Yes. You didn't ask me a question, but I want to say—

Q. No, I've got a question. The question was, is this situation going to continue during your administration?

THE PRESIDENT. First of all, I agree with you, and second, I hope to cut it down as much as I can.

One of the reasons that this occurs is that there hasn't been an adequate amount of cooperation in the preparation of new laws, Billy, among local officials, State officials, the White House, and the Congress. Quite often the Congress has passed legislation without consulting with the local and State officials and the President and vice versa.

I think if we can make sure that when we come up with a new welfare program that everybody who's interested is involved in it, we can cut down on the squabbles and disharmonies in the future

and take some of the things out of the Federal courts.

Another thing we need to do is to move toward appointing Federal judges on the basis of merit and ability instead of a cheap political pay-off. Now, in your own State, for instance, Senator Kennedy and Senator Brooke have already moved to set up a selection commission that would choose the best people, to present the names to me, for selection for Federal judges. And I believe that Chief Justice Burger, who is now head of the Supreme Court, feels the same way that you just expressed. I think that we can make a lot of progress on this.

I would like to get the courts out of our business, and I would like to let the American people stay out of court as much as possible, too.

Q. Thank you for coming to Clinton, Mr. President.

HIGHWAY PROGRAMS

Q. Mr. President, my name is Edward Peczekowitz. I live on the street that—[inaudible]—made famous—Park Street.

We have seen Route 495 torn up for 2 years, with millions spent on what looks like a beauty treatment. Now we read in the papers that this same road is in poor condition for travel and the surface has to be repaired. During the repair of this road, maybe you could help to have a connector built to Clinton.

THE PRESIDENT. I won't promise you, but I won't forget your suggestion, either.

Q. Thank you.

THE PRESIDENT. I think one of the things that might help with matters of this kind is, I've asked all of my Cabinet officers to come out and do the same thing that I am doing tonight. And as you probably noticed, Brock Adams, who is the Secretary of Transportation, spent a

good bit of time in Massachusetts earlier this month meeting with people and discussing at first hand the kinds of questions you raise. Tomorrow, I think all day in Boston [Charleston], we will be talking about the energy question so that when we do put together the energy policy, the people of Massachusetts will have had a good voice in it. So, I think in the future we can have a better decision made on transportation matters. And I'm not familiar enough to answer your specific request. Peczekowitz, is that right?

Q. Yes, sir, right.

THE PRESIDENT. Thank you, sir.

PUBLIC TRUST IN GOVERNMENT

Q. Mr. President, my name is Father Gerard Patrick Walsh. I am stationed here at St. John's in Clinton. And as an Irishman, I must say to you first of all, *Céad Mile Fáilte*, a hundred thousand welcomes.

I am a little bit nervous, so I'll try to get the question out.

THE PRESIDENT. Well, so am I. [Laughter]

Q. In the aftermath of Watergate scandals and other related scandals in our Government and throughout our Government, I was wondering what you could do as the President now, what we could do as a nation of people, to restore the moral fiber of our country, to restore the basic faith of our people—you as the President and the Presidency that you hold, in the Government as a whole.

It seems that so many of us have heard so many promises through the years from politicians, but really we kind of get dismayed at times and wonder what really can be done and what will be done.

THE PRESIDENT. Father, that's a question that I tried to answer during the campaign. And to summarize, the only way that I know that we can restore the

trust of the American people in public officials is for the public officials to be trustworthy, to tell the truth, and to make sure that there is a closeness and an intimacy between leaders who've been elected and the people who put them in office. This is something that's crucial to me.

I mentioned earlier in my talk that I think that the American Government ought to stand strongly for basic human rights, whether it's in Northern Ireland or whether it's in other parts of the world. The human rights issue is one that no single President can solve successfully. But one voice, particularly the voice of the American President, can set a standard for the world to start thinking about.

And I believe that over a period of time, we will accumulate a deep concern for human beings, for the right of individuals to make their own decision, not to be tortured, not to be punished.

Also, I think that openness of government is important. I've had so far, and I will have as long as I'm in the White House, a full-scale press conference at least twice a month to let the very knowledgeable Washington news media cross-examine me, quite often with live television and other coverage, and ask me the most difficult questions they can contrive. I'll do the best I can to answer them.

And on my radio call-in show a couple of days ago, I had 42 American people who got through to me; 9½ million tried to call me. I'm sure a lot of them were listening. About 24 million people listened to that program. I don't claim to know all the answers, but I want the American people to know that there is a partnership.

I closed, I guess, a thousand speeches during the campaign by saying all we need is a government that's as good and decent and honest and truthful and open and compassionate and as filled with love as are the American people. I know it by

heart. And I believe if our Government can measure up to the people, we can do that.

SMALL BUSINESS

Q. Good evening, Mr. President.

THE PRESIDENT. Good evening.

Q. If I am slow and deliberate, it's because I have never spoken to a President before, and I thoroughly enjoy it.

Mr. President, Clinton is representative of New England as having a resurgence in small business and craft industries. I wonder if you could tell us what your administration is going to do to help those small businesses and craft industries?

THE PRESIDENT. Fine. I might say that I took my first ride today on Air Force One, and I've never met a Democratic President in my life. So we've got some things in common.

I'm a small businessman myself. I came home from the Navy back in 1953. I lived in a government housing project, and I went to work selling fertilizer. I was my only employee. I didn't make any money that year, not even enough to pay my house rent. The second year my wife went to work with me, and the third year I hired my first employee to work under me, and I built up a business that's still small compared to most of them.

One of the things that we have seen is that quite often the small business person has had tremendous handicaps by unfair taxes. The higher up in income that a corporation goes, on the average, the lower percentage of the income is paid in income taxes. So, a revision of the income tax structure would help a great deal, and elimination of paperwork and forms and reports and guidelines and directives and regulations, that pour out in a constant stream from Washington, ought to be stopped to a major degree. And I'm committed to do that.

The amount of reports that come into the Federal agencies is another thing that I think we can correct. Also to have the top-level Cabinet officers work in harmony so that if a small business person wants to get an answer to a question, they can figure out where to go for an answer—to send people who administer programs out into the country to get in touch with small business people would help a lot.

One of the most aggravating programs, and I think a good program is the OSHA program. But it's despised by many business people because of the way it has been administered in the past. I met yesterday with the Director of the OSHA program. And I made sure that that Director understood that hearings were to be conducted all over the country, so that business leaders could come—primarily the small business people—and say this is what we don't like about the program, and this is what we need for it to do to be changed.

Another thing is that when we have new labor programs to stimulate the economy, to provide training, that the small business person can work with those programs to get temporary employees at first and to grow.

Another thing that we can do is to have the Commerce Department help open up foreign trade opportunities for small business people. It's very easy for a large corporation like General Motors or Ford or IBM and so forth, to send out helpers all over the world to sell their products. But quite often the small business has not had an opportunity for those foreign trade opportunities. Here, the Commerce Department can help a great deal.

And I think the last thing I would like to say, just try to keep my answer brief, is to have access to the center of Government—and I am approachable. I've told the leaders of the small business

enterprises around the country that when we put together policies for the Small Business Administration and others, that their advice will be sought before we come forward with new Government programs or policies. So I think letting the small business person have a role to play in government and a voice in government decisions is another thing. I could go on and on about it because this is a subject about which I know the most. But those are some of the things that have not been done in the past, but are now going to be done.

Q. In my nervousness, Mr. President, I forgot to introduce myself.

THE PRESIDENT. Yes, I'd like to know.

Q. My name is William T. McGrail, and I live at 5 DeLejeune Avenue, in the great town of Clinton. Thank you, Mr. President.

THE PRESIDENT. Thank you very much.

One thing I would like to remind all of you on is this: When you ask a question, for instance, about the problems of small business, I know that you probably know more about the subject than I do, particularly the one that asked the question that has a problem. And we would like very much, as a follow-up, if you have specific ideas on how we might have a better health program, or better education for young people, or better training programs for those who are unemployed, or a better welfare system, or better help for small business, that you write me a letter and put Clinton, Massachusetts, in a big circle on the front of the letter, and I'll tell my staff to bring those letters directly to me.

We get so many letters that I can't read them all. But, as a result of this town meeting, I would like to have your followup letters. I particularly want you to give me your advice. Don't just say that—you need not say that you were glad to have me here and what a good job I did

and so forth. Just say this is what I think you ought to do to be a better President.

Yes, sir?

PUBLIC WORKS PROGRAMS

Q. Mr. President, Clinton is preparing a lot of necessary information to submit to the Federal and State Governments for revitalizing our downtown area. When and if this information is presented to the governments, would Clinton be given strong consideration for Federal funding?

THE PRESIDENT. Yes, it would. We've got now, I believe, two Cabinet Secretaries, both of them happen to be women. One is Juanita Kreps, in charge of the Commerce Department which has charge of the Economic Development Administration. And the other one is Patricia Harris, who's head of the Housing and Urban Development Department.

They, working with Labor and other agencies, are considering very rapidly now the applications that are put in. We're going to have a very strong public works program put into effect by the Congress. I don't think there's any doubt about it. The bill hasn't passed yet, but it's well on the way, and the Congressmen are strongly in favor of this bill. This will give us a great opportunity to expand the health for communities like Clinton.

So, I think to answer your question when your application is put in, I can't promise you that it'll be approved because I don't know what's in it, but it will be handled expeditiously, and if it complies with the law, I'm sure that it will be approved.

Q. Thank you.

THE PRESIDENT. Thank you, sir.

SELECTIVE SERVICE PARDONS

Q. My name is Mary Correia. I live at 14 Woodruff Road, and I'm a freshman at the Clinton High School. I would like

to ask if you believe in the draft. Why, may I ask, did you pardon the draft evaders?

THE PRESIDENT. Well, I didn't say that I was going to put a draft back into effect. In fact, I said just the opposite. If I feel, though, that a restoration of the draft is necessary for the Nation's security, I would certainly not hesitate to recommend it to the Congress. I might add there are a couple of other things. If we do reinstitute the draft, I would like to make its application universal to let people serve whether they go and fight in the military or not. And I would not let college attendance be an excuse for not being drafted.

To answer the other part of your question about the pardon, I recognized, before I issued the pardon for the draft evaders, that it would not be a popular decision. About half the people in the country think it was a good decision; about half of them don't think it was a good decision.

I don't intend to issue a pardon for those who were deserters or for those who violated in a criminal way any military or civil law. Those persons will have their cases considered on an individual case basis within the framework of the Defense Department. But I did pardon those who violated the draft laws because I think it's time for us to get over the horrible consequences of the Vietnam war, and I feel that those young people have been punished enough.

After the wars in the past, after the war was over and the wounds were being healed, those who violated laws were pardoned. I know in the War Between the States that those of my family who seceded from the Union and who fought against the Union, after the war was over, they were pardoned. So, I did it. I let the people of the country know I was going to do it before I was elected. Nobody voted

for me through false pretenses, and so I don't have any apology to make.

I hope I have answered your question as well.

Q. It's not that I don't believe in the draft. I was just wondering why you did say something about the draft if you did pardon them.

THE PRESIDENT. The question was asked me earlier, you know, if I thought we needed the draft to restore enough recruits for the Reserve forces. At the present time we don't need a draft. And I hope that we can get by in the future without having a draft.

I think the restoration of patriotism and an eagerness to serve our country will stimulate recruitment in the Armed Forces. I hope young men and women will consider as a career the Armed Forces service. This is very important to our Nation, to its security. Because of the unpopularity of the Vietnam war, many young people and their parents have turned their backs on military service and have, in many instances, despised even the young people who went to Vietnam to fight for our country and, in addition, now look down on those who serve in the military.

I want to be sure that, as President, the actions that I take working with the Congress restore the respect that the military deserves among people and once again make service in the Army or the Navy or the Coast Guard or the Air Force or the Marines a source of pride.

If we can restore that sense of patriotism and pride in serving our country, we won't need a draft. I believe that's the best way to avoid the draft in the future.

Q. Thank you.

THE PRESIDENT. I was in the Navy 11 years. It was one of the best things that ever happened to me. And I just hope that we can correct our problem with the draft through increased voluntary service.

That was an excellent question, I think. We only have about 5 more minutes. And I'll try to keep my next answers briefer.

MINIMUM WAGE LAWS

Q. Mr. President?

THE PRESIDENT. Yes, sir.

Q. Danny Chambers, 95 Orange Street. What would your position be in those areas of government, State or local, over which you have control of wages and adding in a cost-of-living?

THE PRESIDENT. This is a question that will be decided perhaps this year, Mr. Chambers—is that right?

At the present time the increases in wages are tracked by the wages paid to the lowest income people. And I think that as we consider a new minimum wage law this year, I don't know yet if it's going to be passed, we don't know yet what we'll recommend. But there might very well be considered a factor in the minimum wage law that says: When average wages go up a certain amount, that the minimum wage will also go up a certain amount. What percentage that is I don't know.

At the present time it would be about 45 percent, 47 or 48 percent. But that's a question that might be addressed by the Congress this year. And that would accommodate the cost of living for those who work at the lower levels of wage or employment.

I think that those who do work in well-organized trade union environments have their interests protected quite well in almost every major industry. But those who work at the minimum wage level don't get any automatic increases.

So, I don't know yet. I'm not trying to predict to you what will happen. But I know that's one matter that will be under

consideration. I can't give you a good answer to your question yet. I don't know the answer yet.

Q. Thank you.

THE NATION'S SPIRIT

Q. Good evening, Mr. President.

THE PRESIDENT. Let me say this will have to be the last question. I'm sorry.

Q. Again, good evening, Mr. President. At first I wish not to offer you another welcome to Clinton from Clintonians, but a thank you from Americans all over America for bringing back to us a sense of integrity, pride, and love of our Government amongst ourselves and our Nation.

Now, my questions is as follows: As it becomes more apparent that we as Americans are now engaged in a new era that is one of awareness, self-pride, and involvement, what do you consider to be the greatest aids for the advancement in growth of these areas which should lead to a better America?

THE PRESIDENT. The greatest aid?

Q. Yes, sir.

THE PRESIDENT. I doubt that anyone in politics at least in the last 2 years has traveled more than I have or seen more parts of our country or met with more groups or made more speeches or answered more questions or gotten more free advice. I've learned a lot in the process.

And although we do have serious problems, when I took office we had about an 8 percent unemployment rate. We had a very high inflation rate. I think there was a great deal of distrust of the Federal Government.

We had a confused welfare system, an improper income tax system, and many other things. We were still suffering from the aftermath of Watergate and Vietnam

and Cambodia, and the revelations about illegal actions of the FBI and the CIA.

There was an opportunity there for us to make great progress. I believe that the most important aid for solving these problems is the natural and unchanged strength of our country. Economically, we're the strongest nation on Earth. God gave us great blessings of open fields and adequate water supplies and access to the oceans. We've got mineral deposits. We've got the economic strength. No other country has as broad based an opportunity for economic prosperity as we do.

We've got the best system of government on Earth. In spite of its defects, it's still an opportunity for a clean, decent, prosperous, democratic government where people can control it. It hasn't been made dirty except just temporarily. So, our Government is the best on Earth, and our people are our greatest strength of all. So, the aids that the Congress has, the aids that the President has, are not in the offices in Washington; the resources of our country that can help us correct our mistakes and reach for greatness exists among people like you who live in Clinton, Massachusetts, or Plains, Georgia, or Los Angeles, or Washington, D.C., and who are hungry for something of which we can be proud once again in domestic affairs, in foreign affairs.

I want to see our Government so strong, so good, so open, so competent, so decent, so humane that all of us will be proud of it.

And I want the American people, after 3 or 4 years at least, not to look on the Federal Government as an enemy, or an obstacle to be overcome, but as a friend that's constantly probing for better ways to let your own life be meaningful. And if you have a problem of unemployment or too much inflation, or not enough education, or not enough health care, or in-

adequate roads or the threat of death from nuclear weapons, I hope that in the future you will say that "my elected officials in Washington or in Boston will help me work out of this problem."

I haven't always had that feeling in the last 7 or 8 years—but I want to restore that. So, the basic strength and the basic aid that I will have, and Senator Kennedy and Senator—I mean Congressman Early, Tsongas, and others who are in the audience—I'm sorry I started naming people, Mike Dukakis is up there, a good friend of mine. He's helping a great deal with the welfare program. But the thing all of us have to fall back on is you. The thing all of us have to fall back on are people like you.

I'd like to leave tonight by reminding you that we are partners. I don't have any more intelligence or ability than you do. I've been elected President because of the confidence of the American people. But I need your help, I need your prayers, I need your advice, and I also need and welcome your tough criticisms when I make a mistake. And I'm going to try to serve out my own administration by staying close to you. It's not an easy thing for a President to stay close to the people. But I'm going to do my best. And I hope that you will help me overcome my difficulties and learn when I'm ignorant about your needs and repair the damage that might occur that separates me from you so that we can work together to realize the greatness of our country which exceeds that of any other nation on Earth.

Thank you very much.

NOTE: The meeting began at 7:40 p.m. at the Clinton Townhall. The President was introduced by Alan Jewett, chairman of the Clinton Board of Selectmen.

Following the meeting, the President spent the night at the home of Mr. and Mrs. Edward Thompson, residents of Clinton.

St. Patrick's Day, 1977

Message of the President. March 17, 1977

On St. Patrick's Day, Rosalynn and I extend our warmest good wishes to all our fellow citizens of Irish ancestry and to the many others who join with us in becoming Irish in spirit on this traditionally festive day.

Irish wit and wisdom are as much a part of our national life as the millions of Irish Americans who have helped to build and preserve the greatness of our society.

This Day gives all of us the opportunity to honor and take pride in the very significant precious part of our American heritage that is rooted in the Emerald Isle.

JIMMY CARTER

NOTE: The text of the message was made available by the White House Press Office. It was not issued in the form of a White House press release.

Charleston, West Virginia

Remarks in a Panel Discussion and Question-and-Answer Session on Energy. March 17, 1977

THE PRESIDENT. First of all, I want to say that I'm very delighted to be back in West Virginia. I've always felt at home here. And I was particularly grateful to see that West Virginia and Georgia have a lot in common. One thing that comes to mind immediately is the election returns when they came in last November. I was very pleased with that. [*Laughter*]

Senator Byrd says that West Virginia is a kind of a steep Georgia. And we have a lot in common, I think, with one another.

This afternoon we are participating—I'm going to learn a lot—in a discussion

about basic energy policy for our country. We are going to have 20 mini-conferences at the White House, presided over by Dr. James Schlesinger, and I'll go by as many of those as I can.

We are having 10 regional meetings around the United States, and Dr. Schlesinger sent out 450,000 letters to different Americans who are interested in the energy question to try to get from them ideas on how we might come forward with a comprehensive nationwide energy policy, which will be concluded and which I will present to a Joint Session of the Congress about April 20.

This is just 3 months after I took office. It's long overdue. It's one of the most important considerations I will ever face as President of the United States.

We now have about 90 percent of our energy reserves in coal, but only about 18 percent of the energy that we use comes from coal. And one inevitable major shift in the years ahead is away from oil and natural gas and toward coal. We want to be sure that when this shift is made that a continuing substantial major portion of the coal to be used comes from the Appalachian region, from the eastern part of the United States. This is a coal deposit that is precious to us. Labor is already concentrated here from past times and, although we have had a reduction in coal production in the last 10 years from about 157 million tons a year in West Virginia down to about 110 million tons a year, I think the inevitable future developments will be toward a heavier dependence and a higher production of coal.

So, I'm very grateful to come here this afternoon to meet with this well-qualified panel. And now I'd like to introduce them briefly and turn the first part of our session over to Dr. Schlesinger to preside.

The first person I'd like to introduce is Lewis McManus. He's in the insurance business; former speaker of the West Virginia house of representatives.

Of course, the next one is well known to everyone, as is Mr. McManus—Arnold Miller, who's the president of the United Mine Workers of America.

Ed Light, a staff member of the Citizens Action Group, which is the leading West Virginia public interest group.

The next one is a very close and personal friend of mine. I have always basked in the benefit of his sound advice, and I hope that when I go out of office he will still have many years to go in the United States Senate—Senator Jennings Randolph, who's the chairman of the Senate Public Works Committee.

The next is Mayor John Hutchinson, who's the mayor of Charleston. He's on the Federal Energy Administration Advisory Board on Coal. He's also chairman of the Energy and Environmental Standing Committee of the U.S. Conference of Mayors.

Next is Herbert Jones, who's the president of the Amherst Coal Company and president of the West Virginia Coal Association.

Judy Stephenson, who's executive director of the West Virginia environmental group "Save Our Mountains."

Secretary Cecil Andrus of the Department of Interior on my immediate right, former Governor of Idaho and one of the new lights of the Carter administration of whom I'm very proud.

On my left is Dr. James Schlesinger. He's the former Director of the Atomic Energy Commission, former Director of the Budget Bureau, former Director of the CIA, former Secretary of Defense, and he's been constantly promoted until now he's reached the pinnacle of his success

so far. He's the major adviser in our country on the important subject of energy.

We also have on his left, one of my very close personal friends of whom I'm extremely proud, and that's your new Governor, Jay Rockefeller.

The panel member to whom I'm most grateful—I share a lot with him—he's not a politician, he's not a speechmaker, and he kind of hates those categories, but he's a working man who brings to the panel a practical knowledge of what it means to be a coal miner. And Ed Smith, I'm very grateful that you were willing to serve with us this afternoon. Ed Smith has worked in the deep mines of West Virginia for 40 years. And I thank you for taking the day off to come and be with us.

The next person is Jack Lloyd, the vice president of the Appalachian Power Company, a major distributor of electric power in West Virginia.

Carole Ferrell, who's administrative officer of the West Virginia Human Rights Commission.

The next one is Doug Costle. He's newly sworn in as the Administrator of the Environmental Protection Agency. This is a very difficult job, and Doug Costle brings a practical approach to the administration of the laws in our country which require that we have our environment, our quality of life protected.

The next person is Dr. Allen Hamner, who's a professor of chemistry at West Virginia Wesleyan College. He's a research associate to the West Virginia Coal Research Bureau. His major study in college—he's one of the foremost Nation's experts on the subject of coal. We're very proud to have you, professor.

The next one is Eric Reichl, president of the Conoco Coal Development Company, whose subsidiary, Consolidated Coal Company, or Consol, is a major

West Virginia coal producer. We're glad to have you with us, Mr. Reichl.

And the last one I'd like to introduce before I turn the program over to Dr. Schlesinger is Norman Kilpatrick, with the Surface Mining Research Laboratory [Library] at West Virginia; he's the director of the Federal/State program for the mayor of Charleston. We are grateful to have you with us.

PANEL DISCUSSION

WEST VIRGINIA

I'd like to ask now Jay Rockefeller to make a brief statement, following which Dr. Schlesinger will take charge of the program. Jay?

GOVERNOR ROCKEFELLER. Thank you, Mr. President. We're very grateful that you're in West Virginia.

West Virginia has some gas and we have some oil, but we're essentially a coal-mining State, as you know. We're the second largest producer in the Nation. If the Nation lived off of the coal reserves which are recoverable in West Virginia, and if we lived off those reserves alone, the Nation could survive for 50 to 100 years. On the other hand, the policy of energy has been going in the opposite direction, away from coal. We regret that and, therefore, we think that coal should be a centerpiece for our national energy problem. But speaking from the West Virginia point of view, as we go into that policy, if we do go into that policy, we've got some problems to solve and problems to face first.

One of them is environmental. There has never been a happy relationship between either deep mining, the surface mining of coal, and the protection of the environment in a pure manner. We are trying to face up to some of those problems, Mr. President. We have not been able to do that entirely to our satisfaction.

I'm also concerned about the whole problem of productivity, not only here but across the Nation. Our coal miners today are not being able to produce the amount of coal that they were even 10 years ago. And even though we have more coal miners working than 10 years ago, the tonnage is way down. There are a lot of reasons for that. Part of that reason, I think, comes as a matter of attitude and certain basic conflicts between unions and operators—part mythology, part correct—but in effect, it's had its toll. And in order to serve the national interest, which West Virginia chooses to do, we've got to overcome those, not only here but elsewhere—problems of attitudes, problems of relationship.

We think that coal is good. We expect 20 or 30 thousand more jobs in our State in this future related to coal, directly and indirectly. And we are proud to have coal. But we do not want to have coal, Mr. President, to mine it, to produce it, to help the Nation serve its problems, and have this come back and run over the top of us a little bit like it did in World War II, when people came in and took our coal and didn't leave us anything left.

So that we have a very strong sense that there must be—as West Virginia gives its coal to the Nation—it's going to be costly, because the socio-economic impact on West Virginia is something that all of us in this State have to be very concerned about.

We're optimistic. We're proud of this type of forum. We feel we have something to offer, and we're ready to do it.

THE PRESIDENT. Thank you. Jim?

NATIONAL ENERGY POLICY

MR. SCHLESINGER. Thank you, Mr. President.

The first area of discussion for us today will be the elements that would constitute a national energy policy.

I'll just make a few brief observations. We have a legacy which will be short-lived, a fleeting legacy of fossil fuels. During the past century, we have been going through those fossil fuels at an increasing rate. By the early part of the 21st century, oil and gas will be gone or going; we will have to become more dependent on coal. But over the course of the 21st century, we must find a long-term technological solution that will provide us with a substitute for fossil fuels when they permanently run out.

For the next decade, we have only what we have at hand today. And that means that we are going to have to do two things in our national energy policy: conservation, fuel efficiency on the one hand, and switching to those fuels that are domestically available, notably coal, on the other.

Those will be the principal challenges, and the President will be proposing a legislative program on the 20th of April to achieve those near-term objectives as well as a longer-term solution.

Mr. President?

THE PRESIDENT. Do you want to call on some of the other folks?

MR. SCHLESINGER. Mayor Hutchinson.

MAYOR HUTCHINSON. Mr. President, very quickly, West Virginia and Charleston is proud to have you and members of your official family with us today. Conservation, as you well know, is a necessary first step in the solution of the energy problem, not only in the short term, to ease the pain somewhat in the availability of energy, but in the long run, necessary building blocks for a long-range policy.

Conservation, as you know, is either voluntary or mandatory. And the decisions, where you bite the bullet, will fall someplace in between the two.

The connotation of mandatory regulation brings about the specter, possibly, of hardship and rationing to the American people. But our people, as you know, have

stood up before, and I'm sure are willing to stand again. But we're kind of like that proverbial horse that keeps getting led to the water; we have got to know what we're going to have to drink. And at this point, the most fantastic or astonishing thing to me is that the fallout of the oil embargo, 3 or 4 years ago, was that the Federal Government had no independent or objective, or very little independent or objective information as to what the energy status was in this country.

That is almost astonishing. And unfortunately, up until the last month or so, there hasn't been any change in that policy. And I was very happy to see that you came out strong a few weeks ago, and said that your administration was dedicated to the task of getting to the bottom of the natural gas crisis. And a report to the people—that is necessary and that is important—not only facts for you, as President, and your advisers to create policy for this country, but the public has got to know. Otherwise, we can't follow.

PUBLIC UTILITIES

MR. KILPATRICK. Mr. President, there is a point in the area of utility reform which Interior Secretary Andrus has proposed to be studied. I'd like to say to Dr. Schlesinger, if I might, that I think it's extremely vital. Right now, there are some specific cases that people concerned with conservation, with efficiency and using domestic fuels, feel generally are almost insane in their extreme. I'll give you an example. Baltimore Gas & Electric Company is about to open a 1300-megawatt powerplant in the Baltimore area, using foreign oil, despite the fact that West Virginia low-sulfur coal has been offered to them, and the plant can burn coal.

The Southern Company is in the process, and has already signed at least one contract, to bring western coal to Georgia,

Alabama, and Mississippi. Detroit Edison is in the process of bringing western coal to Detroit. And Niagara Mohawk, in western New York State, that has always bought Appalachian coal, is considering buying western coal through Detroit Edison's transportation affiliate for use in western New York.

I have here, and I'd like you and your staff to have a chance to look at this, an example of a Federal Power Commission report by Ohio Power Company—not by the Federal Government, but by Ohio Power Company—that shows that they have converted a plant in Ohio predominantly to western coal or coal that they mine from their own mines, despite the fact, as this report shows, that low-sulfur coal from Kentucky, Virginia, and West Virginia is being delivered to that plant cheaper, total cost-wise, than the western coal they're bringing in. The western coal is being moved on their own barge lines, whose costs are not regulated by the Ohio Public Utilities Commission.

So, what I would propose your administration consider is a flat ban on the automatic feature of fuel adjustment clauses in every State in the country. This is the only way I can see to require utilities to buy the cheapest possible fuel, consistent with whatever environmental regulations are involved. And I would add that this State has—both the legislature and the Public Service Commission have abolished the automatic feature of the clause here. After we did it, surprisingly enough, our largest powerplant in this State, which was using predominantly out-of-State coal, was suddenly converted back to predominantly West Virginia coal, and the total cost went down to the consumer.

COAL

THE PRESIDENT. I'd like to ask Dr. Hamner, if he would, to comment on the

relationship between the Btu production of eastern coal compared to western coal, compared to the sulfur oxides emissions. Is it very much different when you measure it on the basis of Btu's?

MR. HAMNER. There is no question that there is a great difference. The difference appears, first of all, in the moisture content. A figure regarding western coal that has always impressed me enormously: If there is 35 percent moisture in a coal, a unit train carrying 100 tons of western coal is carrying 35 tons of water. In a country attempting to be efficient in the use of energy, it's a striking number.

The Btu of coal in West Virginia might run about 12,500; that of a western coal, perhaps as low as 6,500, but that would be a low figure. Now, sulfur dioxide varies considerably in the East. But we have—I cannot quote the name of the study—but we have here in West Virginia approximately 70 percent of the low-sulfur coal which is east of the Mississippi. And we are eager that that coal should be used.

PUBLIC UTILITIES

MR. KILPATRICK. But as long as you have automatic fuel clauses, the utility may bring in coal or oil from anywhere they want to, at any price, pass it on automatically to the consumer for whatever reasons, and the local coal, even though it may be cheaper or better quality, does not have to be used.

THE PRESIDENT. The way I understand the question, and I'd like for Mr. Lloyd maybe to comment, is that with the automatic provision that you would like to eliminate, no matter what the energy cost is, the power companies are automatically authorized to pass all of those extra costs on to the consumers if it comes from the increased cost of fuel, which means that

the power companies don't have as a major factor, the cost of the fuel they burn.

MR. HAMNER. This is correct. West Virginia is an exception to that rule.

THE PRESIDENT. Mr. Lloyd, would you comment, please?

MR. LLOYD. Mr. President, I think we have to look at several things. First, the cost of generating power—50 percent of your cost at this day and time is in fuel. The fuel clause is only a purpose of when the fuel goes up, you have some means to pass that cost on, because it's a cost you cannot absorb in your rates. We do not have a fuel clause in West Virginia, as Mr. Kilpatrick has said.

The question we are facing here today is—and I think all utilities are going to use the cheapest coal they can use, the cheapest fuel. I think you said that 73 percent of our energy was being used through oil and natural gas. We know we've got to replace that petroleum with coal. Now, to me it seems though, that we're going to have to use all the coal we can in this country. It's not just West Virginia coal we're concerned about, it's just not West Virginia's powerplants or its generating capacity. We're concerned about the whole United States. I think Dr. Schlesinger would agree.

We're going to need all the fuel we can get. It's just not a matter of saying we're confining our interests to a State's borders. We're looking at the entire United States. I think we're all thinking that way. We just can't think about one local area in this problem. And I don't think any utility is going to try to take advantage of this position in the utilization of its fuel. We're going to use West Virginia fuel any place we can get it. We have to recognize we have to meet certain standards. In West Virginia, we're dedicated to West Virginia coal, and we're going to use it in our powerplants.

THE PRESIDENT. Yes, Senator, and I'll get to you next. Mr. Jones?

MR. JONES. I just wanted to state that recently the Edison Electric Institute estimated that by 1985, 85 percent of the western coal will be consumed west of the Mississippi River. So, I don't think that we're going to have a great influx of western coal coming very far east.

THE PRESIDENT. Thank you, sir. That's a good point.

Senator?

COAL

SENATOR RANDOLPH. Mr. President, if this is a pleasantry, I do not mean it as such. We are helped and honored by your presence in West Virginia today. And I think that it was very appropriate that you mentioned Senator Byrd, the majority leader of the Senate, and I shall mention Senator—I started to say—I'll withdraw that for a moment, but I do want you to know that the other members of our delegation who are not here, Representative Staggers, Representative Mollohan, and Representative Slack would have liked to have been here; Representative Rahall is here.

In reference to the subject being discussed, Mr. President, in the four States, the small operators in West Virginia and Kentucky and Tennessee in 1974 produced 150 million tons. That certainly shows that the small coal operation is very important, as well as the large operation.

We have over 100 small operators that could produce coal in five States in the Appalachian region, if the implementation by the Federal Energy Administration of the action of the Congress in 1975, and again in 1976, came into being. That's the loan that we speak of, which implementation needs to be made now.

THE PRESIDENT. It's been authorized but not appropriated, right?

SENATOR RANDOLPH. That's right.

ENERGY PRICES

MS. FERRELL. Mr. President, before we get away with the thoughts that Mr. Lloyd passed on, it seems as though it would be so easy for him to say we'll just pass the cost over to the consumer. And that's what really upsets me. You know, it almost straightens my hair. [*Laughter*]

I sat down last night with my husband and we paid our monthly bills, and I totaled up the utility bills and they came to \$120. And the weather has been nice. But it's still too high. When I think about people whose welfare checks only come to \$200 a month, and their utility bills come to \$150 and they have to buy food stamps with that money, the cost cannot continue to be passed on to the consumers. There is not very much more that we'll be able to stand.

THE PRESIDENT. One of the major things that we have been talking about in the White House the last 8 weeks, Dr. Schlesinger and I, and Secretary Andrus as well, has been how to cut down those monthly bills for consumers. One of the easiest ways is to make sure that homes are adequately insulated. And one of the sad things about the circumstances is that the poorer the family is, the less likely their homes are to be insulated properly.

Dr. Schlesinger has said that the cheapest oil that we could buy is the oil that we save; that the cost of insulation and of other means is only about \$1 per barrel, whereas if you buy oil or its equivalent coal, it costs you about \$15.50 a barrel. So, I think that this is a matter that we will address very firmly in the new energy policies that will come up subsequent to April 20.

There are other things that we'll get into later on in the program—I'll let

Dr. Schlesinger give me guidance on when—one of which, obviously, is the different rate structure for the sale of electric power, to encourage homeowners and industrial users, as well, to use a minimum amount of electric power to meet their own needs, and also to use that power when you don't have peak loads that do cost the power companies extra money.

I think our biggest challenge is in the conservation field. Perhaps Dr. Schlesinger would like to comment on what we can do in that area, and we'll move on from there.

ENERGY CONSERVATION

MR. SCHLESINGER. Mr. President, on Mr. Kilpatrick's suggestion, indeed I think that the power companies that have been investing in oil, in oil-fired plants, probably have made a relatively short-term investment, and I'm not sure it's a wholly judicious one. We will be shifting, as Mr. Lloyd suggests, to more and more use of coal. By 1985, 1987, we should be producing in this country 1 billion tons or more if we are to meet our needs.

We will be looking at suggestions such as the one that Mr. Kilpatrick has made in terms of attempting to minimize the impact on consumers of what are substantial shifts in the pattern of energy use.

MR. McMANUS. Mr. President, before you move away from conservation, I'd like to emphasize the fact that I think conservation is an important aspect of the energy picture, but it is not by any stretch of the imagination the total answer.

And in the conservation picture, I think the Nation as a whole needs the moral leadership of your office, and I'm delighted that we're getting it, to answer some of the critical comments that surfaced after the 1973 embargo. A lot of the people in my community were expressing such things as, "I couldn't buy

gasoline at 39 cents a gallon but all at once at 65 cents it's available." So, the kind of information that has to emanate from you has to be relayed to the public so that the confidence that our citizenry once had in the Chief Executive is restored.

And I think that you can do it. I am confident that you can do it. You've exhibited that by your appearance in Clinton last night, your appearance here today. And I think if you continue to emphasize that in your public appearances, the people will react to your leadership in conserving energy.

But the reaction has to be because the President says it's so, and we believe him, not because the utility producers, Mr. Lloyd, or the oil and gas people say we have a problem. Because in 1973 the problem seemed to be answered by money. And as the consumer advocate has just told you, money is a scarce item to many, many people in this Nation today, sir.

THE PRESIDENT. Thank you, Mr. McManus.

I might add one point, and then I'd like for Secretary Andrus to go into the actual coal production possibilities.

There is no question that we're going to have to save energy. There is no question that we're going to have to shift strongly toward increasing use of coal. Those two things we know.

We had a meeting the other day with most of the Cabinet members and their families, as a matter of fact, and Dr. Schlesinger gave us a historic picture of the energy-use trends. And I pointed out to the Cabinet that we now have above a 70-percent favorable rating in the polls for our job so far, but when we come out with an energy policy on April 20, we'll probably lose about 10 or 15 percent of that.

But I'm willing to give up some of my own personal popularity among the peo-

ple of this Nation to require them to face the brutal facts that we all are going to have to work together to deal with the impending crisis that's going to come regardless in future years as energy runs out. And if we start making plans now on how to deal with it, then the shock to our societal life will be much less 5, 10, 15, 20 years from now when oil and gas is much more scarce and also much more expensive.

There is no way to keep the price from going up. There is no way to keep from running out. But we are long overdue in this country in having someone come forward, the President of the United States or others, and say this is what we've got to face; these are the steps that we're going to have to take. And I believe to the extent that we can put together a comprehensive package that the American people can understand, that through patriotic motivations, they will say, "I'm willing to do my share."

There is one other thing that we've already moved on, and the Congress has been very helpful with this already, and that's a reorganization of the energy agencies in the Federal Government. In the past this has been so fragmented and so confused that nobody knew where to go to get the answer to a question or register a complaint or give a suggestion or give a criticism.

But if we can put into effect the reorganization proposal that has been worked out by Secretary Andrus and by Dr. Schlesinger—and the Congress, I believe, will do this without delay—we can have in one major agency in the Federal Government the concentrated authority and responsibility for dealing with the energy crisis now and in the future. And I think this in itself will be a major step forward.

So, those two things—a new energy department and a new energy policy—I

think will help us acquaint the American people with the facts. And if we can do this as we should, without misleading anyone and without anyone getting a selfish advantage, my belief is that the American people will respond well.

SENATOR RANDOLPH. Twenty seconds, please.

The President, I think, can bring about, if he will have the Secretary of Commerce or the Federal Highway Administrator see to it that the 55-mile-an-hour speed limit is enforced, that people observe it. At the present time, we have approximately 90,000 barrels of oil saved daily by the 55-mile-an-hour speed limit. We can have 200,000 barrels of oil saved daily if it actually is observed and the people subscribe to it.

Now, I believe that you, working with the Secretary of Commerce and the Federal Highway Administrator, can give the leadership, because it's very important for me to add that we have by law given to the administration the right to withhold highway funds if that law is not observed.

THE PRESIDENT. Thank you very much.

MR. REICHL. Mr. President, I might comment on the matter of time with regard to these measures. I think we should recognize that the energy system is enormously complex and massive, and any change that a new policy brings about will take significant time to show effect.

For instance, it takes 10 years to change the fleet of cars. It will take years to insulate all the homes that can be insulated. And just to give you an idea about the low-sulfur coal in the East versus West, if we have to shut down northern West Virginia high-sulfur mines and open them in southern West Virginia, this is not necessarily a good thing for the State to happen. I think there are other items we should get to after we talk about coal. But I want to

warn about the time element required to be significant here in making any changes in policy.

THE PRESIDENT. As we approach the April 20th report to the Nation and to the Congress, it's very important that Dr. Schlesinger have that kind of advice, because when we spell out an energy policy and a time schedule for putting it into effect, I'm going to be very determined as President to make sure we meet our time schedule.

And so, we want to make sure that before I do present it to the country that we understand the obstacles that we might face.

Ed Light?

ENVIRONMENT

MR. LIGHT. I'd like to mention the importance to the environment in West Virginia of restructuring the rates we pay for electricity; the idea of the peak-load pricing to pay more for the electricity during the peak demand has been ignored pretty much by the State and Federal Government. We have the impending licensing of a very energy-inefficient and destructive project in West Virginia called the Davis Power Project which would flood the beautiful and unique Canaan Valley and also destroy some other unique wilderness areas in West Virginia.

The Federal Power Commission has ignored the alternative of lowering the peak demands through rate restructuring or, perhaps, if this is not sufficient, build a pollution controlled, coal-fired power-plant.

There are also—many of the other remaining free-flowing streams in West Virginia are on the Army Corps of Engineers' books for more of these destructive pump storage projects.

ENERGY CONSERVATION

THE PRESIDENT. Ed, we had a meeting the other day with the Chairman of the TVA and they are doing two things that I think are helpful already. And we need to restructure, I think, the program of the TVA to let it be a massive demonstration project on how we can save electrical power. When the TVA was originally formed it was an innovative idea that helped people that hadn't been helped in the past, and over a period of years, it's just gotten to be another utility with no thrust to help people try new and productive opportunities.

One of the things that they are doing, for instance—they've got 4 million homes by the way on TVA—they are providing insulation opportunities for homeowners, and the TVA is financing the cost. This puts thousands of people to work, because the blowing of insulation in attics and so forth is primarily manual labor; it doesn't require high skills.

And then they continued the last year's monthly electricity bills at the same rate they were last year, but because of the good insulation, they're not using as much electricity. So, the difference between what they paid last year and what they're using this year is taken to pay off the borrowed money.

Another thing they're doing is putting into a number of homes—I think the number he told me was 14,000 homes—a little red light that goes on on the wall of the kitchen. And in the peak-load hours, Mr. Lloyd, that red light comes on. They charge the homeowner a great deal more for electricity when that red light is on, but they charge them less during other hours. This is a reminder to the housewife, for instance, that when she's going to wash a batch of clothes or wash dishes, that she

ought to do it when that red light is not on.

So, I think that we're going to have to shift toward some recognition of the peak-load time, which would be very helpful to the power companies, but which would take a great deal of planning to acquaint the American people with the opportunities.

Yes? Mr. Lloyd?

MR. LLOYD. If I may say, our company, too, recognizes the need for insulation. We have a program before—we have a request for a program from the SEC and before the regulatory bodies of the two States we operate in to finance an insulating program with all our customers regardless of electric or gas. And we're hoping we can do this.

At the same time, we're experimenting with heat storage, a matter which is off peak loading. We have installed in an experimental program cassette recording to determine people's living habits. I think we're going to see a great innovation in rate reform in the coming few years. And it's going to be, I think, quite acceptable by the public. It's something that we can look forward to happening in the near future.

THE PRESIDENT. Yes?

MS. FERRELL. Mr. President, responding once again to Mr. Lloyd—Jack, you're going to hate me after this—I don't think the power company has any business in the insulation business. They're there to provide electrical power for us. Why couldn't the Government provide low-interest loans for homeowners and property owners?

THE PRESIDENT. Well, in most cases, I agree with the consumer. I think in this case, I see that Mr. Lloyd has got a good idea. The reason is that it would take an enormous bureaucracy for the Federal Government to set up a way to bill home-

owners every month to repay loans to insulate their homes.

Since the power companies already have a mechanism with which you are fully familiar to send you a bill every month, you know, if it could be handled with maybe the Government guaranteeing part of the loan cost and then let the utility companies, if they will, participate by billing the homeowner and collecting the money and turning it over to the ones who gave the loan originally. But we're still trying to work out that program under Dr. Schlesinger, and it might be that in different service areas, it would be handled differently. In some areas, perhaps the banks would do it directly. In some areas, perhaps the power companies like the TVA would certainly be a good way to handle it there.

But we want to make sure that when the time does come that we provide an easy way for homeowners to insulate their homes for the national good, to save electricity overall, and for the homeowners' good, to make sure they don't pay excessive power bills.

I think also it will help the power companies, because it's getting more and more difficult for the power companies to build new powerplants. And if we can save electricity and let them not have such an enormous capital investment requirement, then it'll help in both ways, because as you well know, when a power company now gets the authority to go ahead and put in a new powerplant, the current users of electricity are to some major degree the ones that have to pay off that loan.

So, I think it is going to have to be a common assessment for the consumers, the power companies, the Government, the energy producers have to work together. That's a task that falls on Dr. Schlesinger primarily to work this program out. And it falls on my shoulders to present it to the

American people and the Congress, so that everybody will say, "Well, I'm going to give up a lot of the pet peeves, and a lot of the criticisms that I've had in the past and join in a mutual effort to bring it about."

And to the extent that people will trust me as President, to a major degree, that will be a step in the right direction.

STRIP MINING

I'd like to ask Secretary Cecil Andrus now to comment on the specific subject of coal production and to cover very quickly the question of strip mining.

We've got a bill, as you know, before the House and Senate, reclamation of areas that have been strip mined, comparison with underground mining techniques and opportunities, compare eastern and western coal, pollution control, the needs for research and development efforts in the use and production of coal, and also coal conversion, changing of coal to liquid and to gaseous forms of energy.

So, I'll call on Secretary Cecil Andrus.

MR. ANDRUS. Thank you very much, Mr. President.

Ladies and gentlemen, I won't take a great deal of your time to try and impress you with our knowledge, but as the President has said many times, we're here to listen to you, to learn from you and to get your input. And I would hope that Mr. Smith and other people who have had experience underground for many years would share with us your knowledge of what we can do to improve the situation.

With reference to the short term of energy, I would point out the fastest way to get new energy is to do just what the President has said, that's conserve the existing energy that we have.

It's also the lowest cost. I might add one point, Mrs. Ferrell, to what we were talking about to help the people whose

homes are not insulated. While doing that that also creates more jobs within the crafts that we have more employment with those people. But now we have to get into the part of our own program with reference to production.

The production of that coal, as your Governor pointed out, is very crucial to the economy of this State and I think, Jay, to all of America. So, the administration in Washington does recognize the transportation costs that have been mentioned here, with western coal coming in. But as we move into development, it's important that H.R. 2, or S. 7, the two bills the President mentioned, are passed, in my opinion, so that while we maintain and improve our standard of living, we do not destroy our quality of life. It is being done in West Virginia. It's being done in some other States. In some States, frankly, it is not.

So, we'd like to listen to your comments and to respond to your questions, ladies and gentlemen.

ENERGY RESEARCH AND DEVELOPMENT

MR. KILPATRICK. Mr. Secretary, if I could, one part of this section, as I understand it, concerns coal restriction development. I'd like to mention that or express my views on this. I feel that there's going to be a lot of Federal investment in this area. I hope that it is based on development instead of more research. We've got enough low-sulfur coal in the West, in the East to take care of certain areas. We've got some technologies that are here, today technologies—that means they either can be done commercially now or are ready to go demonstration—that, it seems to me, a lot more money and attention should be put into, instead of the proposals of the past administration to spend a billion dollars, as I recall, on gasification and hydrocarboning and all this.

And, I'd like to mention five of what I call the today technologies for your consideration for a high priority usage and funding.

One is magneto hydrodynamics that the University of Tennessee Space Institute has reached, to the point where they have the only coal-fired MHD facility in the United States.

This is a method for lowering electric costs, which these gasification proposals do not do by increasing the efficiency of the burning of coal while removing high sulfur and ash from the coal used. I've seen it done. The MHD work at the University of Tennessee Space Institute needs a shot in the arm and the cooperation of a major utility. I think there's one at this table that has taken a careful look at that and it may be amenable to this.

The second thing is the Conoco scrubber, as I call it. It's a second generation scrubber that does not produce toxic sludge. It has been tested, as I understand it, in the Ediston station in Philadelphia. It is guaranteed by Conoco to work, and yet, the utilities—I see the Conoco man shaking his head. We've had testimony before the West Virginia Legislature. Yet major utilities will not take this type of scrubber and use it, even though Conoco has said that they will guarantee that it is a working technology. I think this needs to be looked into.

SECRETARY ANDRUS. Mr. Kilpatrick, let me interrupt right there and say these things are being looked into. You are correct that in the bill we have large amounts of money that the Senator and others have placed there out of this same concern. We will be looking into that. And it will be more developmental approaches, designed to do what, I think, is necessary and has been said here today—extract that coal here in the eastern part of the United States in a fashion that's economically efficient to the operator so it

can be made available to the utilities and others at a price that does not run that fuel bill up on the consumer. So we're aware of that, and what we need to do is get that bill passed.

MR. KILPATRICK. Well, let me mention these three other points here, because I haven't heard those either.

THE PRESIDENT. Just mention them.

MR. KILPATRICK. Okay. Super coal cleaning, that is super coal washing and crushing to reduce high- and low-sulfur coal. It's being done in Pennsylvania by General Public Utilities. The second is the use of methane gas, a real push, to use methane gas from coal seams to replace natural gas. It's done by Eastern Associated in the Clarksburg, West Virginia area.

The third is something Secretary Adams is on top of, apparently. That is a big push to make electric cars, which presumably could use coal-fired electricity, at least as America's second vehicle within the future.

THE PRESIDENT. Those are good points. There are a lot of other specific ones like the flue gas boilers that I think you also have an experimental installation here in West Virginia, do you not?

MR. REICHL. May I make a comment on this—

THE PRESIDENT. You certainly may, Mr. Reichl.

MR. REICHL. I'm a little closer to this area, maybe, than some of you, and I think this is a good opportunity to raise a concern about our trend to look for technical fixes. I'm sorry to say I cannot agree with Mr. Kilpatrick. I think that MHD is a good example of how not to spend your research dollars. That is not the thing that anyone living in this room is likely to see commercially used. But on technical grounds, there are indeed some research opportunities that have been overlooked. And I am a little embarrassed

about my neighbor to have doubted the system that we are involved in. There are others just as good. But I think there is a real fact. There are \$800 million Federal research dollars on coal this year to be spent, of which three, with less than half percent, go to flue gas cleaner.

I submit, Mr. President, I think this is a very urgent thing, that part of the development should be put into the new DOE [Department of Energy]. It is not in there now. I think it's not in there on political grounds. But I think this is one of the real needs, because this country cannot continue without high-sulfur coal. This is one of the things we've got to continue to use. In fact, broadly speaking, if I may add, the United States is in the fortunate position where we have all the coal we'll possibly need. And I think more than that, we can produce and mine all the coal we can possibly need.

The constraint and the limitation of the future contribution that coal can make is in the facilities for its use—power stations, gas plants, if you please, and some day maybe liquid plants further down the line. But it is this limitation on building the power station or converting the power station. You are not going to convert the boilers of this country in 5 minutes from oil and gas to coal. It's going to take 10 years.

THE PRESIDENT. Very good. I might say that some of the experimental projects that you describe that are presently in EPA might very well be used in the DOE later on. And Doug Costle and Secretary Schlesinger will be working on that.

I promised to recognize Governor Rockefeller.

STRIP MINING

GOVERNOR ROCKEFELLER. Secretary Andrus wanted us to talk a little bit about the strip mine bill. We didn't; I think we

should. I'd want to say, from my point of view, I think it is very important that that legislation be passed in essentially the form that it now is, but with some changes. I think the most important part of it, in the real heart of the bill, is the phrase "return to approximate original contour," which we have shown in West Virginia that we can do, but which we do to a substantial competitive disadvantage.

Our coal sells at \$5 to \$8 more per ton than does that coal of even some of our neighboring States, because we choose to enforce regulations which will make that restoration, reclamation, come to reasonable standards. So, I think that's very important, but I think it's important that there be left at the top of the reclamation area, the spoil area, that there be a very small amount of drainage area—and we've discussed this before—so that when the sod is just put back, the dirt is just put back, that there can be protection in the event of heavy rain, so that the drainage is carried down the mountain without causing a big problem with siltation.

And the other thing I think is important, and we have discussed this before, sir, is that in controversial, and that is, I think the variance requirements on mountaintop removal should be removed. I think that mountaintop removal can be and is, if done properly, not only high production oriented but high, environmentally sound system.

And I guess finally, I would say that if States are being deemed to do an adequate job of inspecting, self-inspecting, deemed by you to do an adequate job of self-inspecting, I think they should be allowed to continue to do so without Federal inspection. If they are not deemed to be doing an adequate job of self-inspection, reclamation, then I think that the Federal Government should move in and make sure they do.

THE PRESIDENT. I think one of the important reasons to have the strip mining bill passed, which I favor, is to have some uniformity around the country. Because when a State like West Virginia does a good job of enforcement and the neighboring States or the Western States don't do a good job of the protection of the topography, then it puts you at a substantial disadvantage.

And I'd like to hear Secretary Andrus respond to the request that when a State is doing a good job that the Federal Government let the State do that rather than coming in to put in its own inspection system. Do you have an opinion on that, Cecil?

SECRETARY ANDRUS. Yes, Mr. President. Governor, this was discussed before all the hearings on the bill. We have taken the position—the reason the President was smiling—pretty much at his insistence, that you do not superimpose one bureaucracy on top of another, and that if in fact the State is doing the job, that they should be the controlling authority. We concur with that.

Let me just remind you, Governor, that next Tuesday the House will start marking up H.R. 2 and will take under consideration your recommendation and others with reference to mountaintop removal. But let me also remind you that there is a variance provision in there that the Secretary would have the right to approve a plan if it was engineered and if it were designed to do that job.

Chairman Udall and myself looked at some that looked good. We looked at a lot that didn't look good. So, the variance there would have to meet the test of a proven plan. I know that you've expressed to me that you want it to meet the requirements.

THE PRESIDENT. I'd like to let Judy Stephenson, who is an expert on mountaintops, to respond.

MS. STEPHENSON. We also support Federal strip mine bills because we know they will bring the other States—Virginia has horrible stripping—I don't know how else to say it. I've seen it in southern Virginia, and it's awful compared to what we are doing here in this State. It would bring uniformity. I see southern West Virginia as becoming very uniformly flat on top.

One of the promises has been with mountaintop removal that we are going to do something with this land. So far I've seen very little done with the bald mountaintops in southern West Virginia, particularly McDowell County. Though I think maybe mountaintop removal is sounder than other types of strip mining, I personally feel that there is no reason to strip mine when there is 130 years, approximately, of deep, mineable coal in this country, in the East and the West. If we can deep mine, which would provide about three times the number of jobs as strip mining will, if we can deep mine that coal, I think we ought to deep mine it before we strip it, because the environmental consequences and the economic consequences ultimately, I think, are greater than if we deep mine the coal.

COAL

THE PRESIDENT. Mr. Jones?

MR. JONES. Mr. President, Secretary Andrus mentioned coal production. I think that's really the key to this conference, is what we can do to improve coal production.

One of the things that must be done, of course, is to increase productivity and to increase the number of new mines going in and to increase the output of the mines that are already in, where the capital investment has already been made. We feel very strongly, and I think Dr. Schlesinger and Secretary Andrus and Dr. O'Leary

and others in your administration who have met with people from the coal industry, and are aware of the constraints that are now involved in holding production back in coal mines—I think we need to take a very strong look at these constraints and see the ones that can be relieved or reduced to the extent that we can get some of these high-sulfur coal mines back in production that were mentioned here earlier.

We've got one of the large companies operating in West Virginia—has 6 million tons of productive capacity—idle because of EPA restrictions. I think that's bad. I think it's bad for West Virginia. I think it's one of the reasons that West Virginia has dropped behind Kentucky.

Other reasons are differences in interpretation of the Federal Coal Mine Health and Safety Act, and another major difference is the difference between the West Virginia and the Kentucky strip law.

But all these things have constrained to reduce West Virginia's production and also other mines in Appalachia.

And I am very happy to see that you are concerned about production in Appalachia, because this is the place we can get the coal with the least amount of capital expenditure and disruption of our economic systems in the country.

THE PRESIDENT. I am going to call on Dr. Costle and then Arnold Miller.

MR. COSTLE. Mr. President, Mr. Jones, I have a strong feeling that in a very few years we will hear less and less debate about high-sulfur versus low-sulfur coal.

THE PRESIDENT. Let me interrupt to remind everybody that Doug Costle is the new director of the Environmental Protection Agency. And in the future when I recognize somebody, I'll try to remind the audience who is speaking.

But, Doug?

MR. COSTLE. I've been quite impressed in the last few years, with the progress

that is being made in scrubber technology, for example. It is my understanding now that there are over 100 units with scrubber operations, either in operation or under construction or planned.

There are very few powerplants at all being planned in the West. In fact, I'm not aware of a single power-coal-fired plant in the West at the present time that is now being planned without the scrubber technology.

I think we are also going to see very quickly an even more rapid evolution in the nature of that technology, that will reduce even further the kinds of environmental consequences of that technology itself.

But interesting also are the economics. The Senate now has under consideration amendments to the Clean Air Act. One of the key provisions of that act would require best available control technology to be applied to all new powerplants. This would have a tremendous effect of leveling the cost distribution in this country and in terms of the cost of applying this technology.

It would virtually eliminate any competitive advantage that western coal has over eastern coal. In fact, as best as I can determine, West Virginia coal would compete exceptionally favorably against western coal once that kind of a requirement was put into effect around the country.

So, I'm encouraged. And one of the things that has struck me as we have talked this afternoon, is that there seems to be an implicit recognition that along with going to coal, which we need to do, is the absolute requirement that we protect public health in the process of doing that. I am encouraged now that I think we are finding ways that that can in fact be done.

MR. KILPATRICK. I am sorry, Mr. Secretary.

THE PRESIDENT. I recognized Mr. Arnold Miller.

MR. MILLER. I have been sitting here listening to the facts as they unfold. I am delighted to say at least you have come here, Mr. President, with an idea to get these people together. And you can see the problems as they come through from the different people sitting around this table.

THE PRESIDENT. That's right.

MR. MILLER. You look back, several years back in the production of coal—it's always, I think, human nature—we are going after the best seams of coal, the ones that can be easily mined. We have got down now where it is a little tougher to get. One of the biggest hangups I see in producing more coal, which we in the Mine Workers are primarily concerned about, is getting more coal out and getting our problems taken care of and mining the coal, as Mr. Costle said, in a safe manner, which we believe can be done.

There are several areas that we are woefully weak in. The industry outrun us. We have got so many young miners today that don't have a chance to be trained. In fact, we have training programs that were far less than what they should be.

And now, we are getting over that. But one of the things I see here, as a result of people such as us getting together here, is we are getting these ideas in the mix, and we're no longer, as Mr. Costle said, going to be worrying about how competitive coal is in one area in reference to another, because we're going to have to get all the coal mined we can get mined. We're going to have to deal with the sulfur, whether it's by blending or however to reduce the sulfur content and work towards finding a level of sulfur in the coal that we can all live with and produce the energy we need at a cost that people can afford to pay.

And I think this meeting here today is really something that I've been hoping for

for 10 or 15 years. I think it's going to work. I'm delighted you came down here. We're going to go on from here. This is the first I ever—[inaudible].

MR. McMANUS. Mr. President?

THE PRESIDENT. I have promised Mr. Kilpatrick, who's in charge of the research program on surface mining.

MR. KILPATRICK. Mr. President, the Secretary of EPA, if I read him right, is suggesting that he supports the use of scrubbers on all new powerplants as a way of helping West Virginia coal. Let me just suggest that if that in fact becomes a law, as it almost did under the past administration, I would suggest to him that it is going to devastate the steam coal markets for West Virginia, eastern Kentucky, and western Virginia. It is going to do nothing to prevent the utilities that own coal out West or own barge lines or own their own railroad trains, as some of them do, and want to bring in western coal from doing it. I think if you want to forestall the movement of western coal into the East, you've got to recognize two things: Number one, that western coal is not coming into the East because it's cheaper. This information I have here alone documents that. It's coming in because there are the utilities which have interests in mining or transporting coal in the areas which the profits on, which are not regulated. And if you want to stop western coal coming into the East, you might well consider forcing utilities to divest themselves of their coal mining and their barge and their train operations and get them back to the business of selling electricity under strict State regulation. Because if you require scrubbers on all new plants, you not only are going to hurt the low-sulfur markets for eastern coal but you're also going to kill the American consumers, because, in fact, that would mean if Appalachian Power builds a new powerplant in Mason County as it plans to do, and agrees to use

low-sulfur, West Virginia coal as they have agreed to do, they would have to put a scrubber on them and we would have to pay \$200 million extra. And I can't really conceive of how you see that helping anybody.

MR. COSTLE. I was referring primarily to the construction of new powerplants. We have got some difficult problems in working out arrangements with existing powerplants.

MR. KILPATRICK. I'm talking about new plants.

MR. COSTLE. The principal point that I was trying to make was that I think we will soon reach the point where environmental requirements will not in and of themselves be the source of discrimination in economic terms, will not force several-tier kinds of systems.

I'd be happy to sit with you and talk at greater length about the specific problem. But I think we have to come to realize in this country—and I think we are coming to realize—that we're having to manage our air resources just like we now manage our land resources or our underground mineral resources; that we're dealing with a fixed commodity that has a similar capacity limitation; that within those health standards there is considerable margin for managing what goes into that atmosphere.

But it's essentially a whole new concept of managing the resource that's really come upon us in the last 5 years. And we're learning as we go. And I think we're making considerable progress.

THE PRESIDENT. Let me recognize Ed Smith. I'd like to ask Mr. Smith what he feels are the causes of the drop-off in production per miner, and whether or not the shift of the health protection features, particularly black lung from HEW to Labor, has been a good move in your opinion. Has it gotten better or worse as far as the Government is concerned? It's gotten better?

MR. SMITH. It has gotten a lot better in the last 10, 15 years.

THE PRESIDENT. Well, that's good to know. What do you think can be done to increase the amount of coal that's produced per day, per miner, in the deep mines? Do you think we have very little chance of seeing that done?

MR. SMITH. Well, you could. You would have to have good machinery. You would have to have a good bunch of men, the men that don't lay off, do their work every day.

THE PRESIDENT. How much of the problem would you say was a lack of harmony between labor and the operators themselves?

MR. SMITH. Well, where I work at U.S. Steel, they get along pretty good. But some of these mines, they don't.

THE PRESIDENT. How about with Amherst? What could you do? [*Laughter*]

MR. JONES. Mr. Smith expresses it a lot better than I could.

THE PRESIDENT. Very good. Yes, sir?

MR. SMITH. A lot of these fellows that work there—just like we had a boss, asked one fellow how come he worked 3 days a week. He said he couldn't make it on 2. [*Laughter*]

THE PRESIDENT. I understand. Mr. Reichl?

MR. REICHL. Mr. President, I would like to refer back to what Mr. Costle said about the best—BAT, isn't it, for short—best available technology. I wonder whether we shouldn't stop and look for a moment at the possible overkill here. For instance, we are now scrubbing western coal, as you said, which have maybe .7 percent sulfur to start with, and we now take another 80 percent of that sulfur out.

If you look at high-sulfur West Virginia coal of 4 percent sulfur and take 90 percent out, you would wind up worse than the raw coal from the West. I'm not sure there is really a need for this if you

really look at the data as far as the impact on health is concerned.

But there is one thing we do know. If everybody has the scrubbers, it will significantly increase the cost to the consumer. There is just no way out of that. And I think there is nothing wrong with it either, if it's properly explained by you why we do it. But you cannot have—[*inaudible*]*—*at the same cost as we're doing it now.

THE PRESIDENT. I understand. Mr. McManus?

MR. McMANUS. Mr. President, I want to get back to Secretary Andrus' comment about research and development earlier in this session. My observation in looking at a U.S. Bureau of Mines publication, December of 1976, shows that of all the research and development projects going on in that area having to do with coal mining, only 5 percent of it is being done in the area of West Virginia and Kentucky—the two largest producers of coal in the United States. In fact, only 1 percent comes to West Virginia; 4 percent to Kentucky—out of a total contracts in effect at that time of about \$174.5 million.

I think it important, Mr. Secretary, that these research and development projects, if in fact they are to be of value, should be conducted in the area of most activity in the field.

In addition, Mr. President, in following up on what Mr. Miller said a little bit ago about training, I think it important that some meaningful gains be made in training new miners. We're going to need upwards of 200,000 new miners in the next few years, nationwide, and unless we make the jobs attractive from a physical point of view and from a safety point of view, we will be unable to attract the young miner to those jobs.

And it's important that the miners themselves be involved in that training

program, because they, better than anyone else, know what the factors are that bring about catastrophic injuries to the individual and casualties like we suffered through here in West Virginia, Kentucky, and other places.

THE PRESIDENT. That's a good point. As you know, we've got a substantial economic stimulus package with training and job placement as a major factor of it. I think the Labor Department can work very well in administering those programs to meet these real needs. It's much better to train people for jobs that are needed, rather than to train people and then try to find or create a job for them afterwards.

We're going to have to move on very rapidly through the rest, other parts of this hour's discussion, because I wanted to spend most of the time on coal.

I would like to ask Dr. Schlesinger very briefly to cover oil and gas and nuclear power, all at one time, and then if anybody has a brief comment to make about that, we will. We want to save enough time for the audience to ask questions later on.

NUCLEAR AND SOLAR ENERGY

MR. SCHLESINGER. Just as coal will have to carry more of the load, so will nuclear as oil and gas disappear. In recent weeks, we have come down to the point where we are importing 10 million barrels of oil a day, more than 50 percent of the total, though that's seasonal. And in the longer run we cannot be the great stabilizing power of the West if we become so dependent on foreign sources of supply.

Oil and gas is our principal area for conservation. As the President indicated earlier, only through conservation can we buy a barrel of oil, in effect, for \$1.50. Otherwise, we are going to pay \$15 for

that barrel of oil from the marginal supplier overseas.

Conservation provides us with an opportunity in the oil area of making environmental considerations, economic considerations, political considerations, and foreign policy considerations coincide. And that is a remarkable achievement.

On nuclear power, recognizably there have been some concerns over the years about safety. There has been more concern, I think, in recent years with regard to the question of the use of the plutonium economy in relation to the spread of nuclear weapons.

I think that the President intends to bring a separation between the plutonium economy on the one hand and the use of light water reactors, so that light water reactors can indeed, along with coal, carry more of our energy load.

THE PRESIDENT. You might briefly tell them about solar energy, too.

MR. SCHLESINGER. The possibilities for solar, warm-water heating, solar heating and cooling are here now. Solar electric is much further down the line, but we will be looking at the possibilities in the energy package to introduce solar energy for heating and cooling purposes so that we can replace several millions of barrels of oil equivalent by the end of the century. And we will be working industriously on the question of solar electric power.

ENERGY CONSERVATION

THE PRESIDENT. One comment, and then I'll recognize people.

Dr. Schlesinger has pointed out that we waste more energy now than we can save than the total amount of oil that we import. So, that's such a rich field for increasing our energy sources in the future. And if it costs 10 times as much to buy

oil as it does to save oil or its equivalent, that's a wonderful opportunity again.

And in many areas of production, like the production of paper—an American paper production plant takes twice as much energy per ton of paper as in the rest of the world. And we have about the same living standard as they do, say, in Germany or Sweden or other countries of that kind, and still we use twice as much energy per person in this country for the same standard of living.

So, we've got a tremendous opportunity now in our country because we have been so wasteful, in the future, to improve the circumstances now.

SENATOR RANDOLPH. That is why I put my thermostat in the Senate and hold it up almost every day to see that it is only 56 or 58 degrees. We've had 80 degrees, as you know, Mr. President, in the Senate.

THE PRESIDENT. Thank you.

Yes, sir?

MR. REICHL. Mr. President, it has been said many times, the Swedes and the Germans use half as much energy, and it is, of course, a correct statement. But I think that if we would bunch all the American population in the same area as Germany or Sweden, we would also come down in energy demand. And I think that one of the reasons we use more energy is our geography and the freedom we enjoy as a result of it. And I think we shouldn't forget that.

THE PRESIDENT. Well, we also use a lot more energy than Australia, for instance, and we use a lot more energy even than Canada. I think next to us in the wastefulness is Canada. But I think even in Sweden and Germany they've never moved strongly toward a conservation effort. Japan is just beginning to. But I certainly recognize the geographic factor.

MAYOR HUTCHINSON. Mr. President, the thing that bothers me most in this area is that, de facto, the Federal Govern-

ment, in my judgment, went into a nuclear energy policy last year when TVA was authorized to sell \$10 billion worth of bonds to almost double their energy capacity. They had 21,000 megawatts in their system, almost all of that to be spent on nuclear; zero dollars to be spent on further development of coal energy-producing facilities. And the thing that bothers me about the nuclear—I have strong reservations totally about it—and that is, that energy self-sufficiency is an admirable goal for this country and one I am sure that you will try to get to at some point. But as I understand, TVA has already said that when these new units come on line that they'll have to import uranium to fuel them. Now, it seems to me we're going both ways around the barn. It doesn't make much sense.

At the same time, the TVA basically is supposed to be an innovative body. It was created back in the thirties, 1933, the Senator says—that I think development of solar energy as an electrical—say space platforms and this type of thing, that can produce 10,000 megawatts at a single crack, get it on line sometime within the next decade—which is what I've read is possible—that it could be environmentally sound, could replace the uranium economy or energy thing of TVA, which is presently planned, and I think solve major problems.

THE PRESIDENT. One thing that I believe ought to be corrected: I don't see any prospect nor need for our own country to be energy self-sufficient anytime in the future. It might very well be that the oil that we purchase now at say \$15 a barrel is a very good bargain, and the oil and gas that we leave in our own grounds at this point for use later on might be one of the most precious deposits that we have.

So, I don't think that we are going to set in an overall energy policy a goal of complete self-sufficiency from imported oil or even liquid natural gas. But obviously we could cut down on the amount of oil that we import.

Our native production of oil has been dropping off an average of about 6 percent per year. I think natural gas is about the same percentage.

MR. SCHLESINGER. Yes, sir.

THE PRESIDENT. So, we need to kind of stabilize it. But I don't think we can have a crash program just to extract oil and gas from our own supplies to replace totally what we do import.

THE PRESIDENT. Mr. Kilpatrick, and then I'll get you next, Mr. Lloyd.

TENNESSEE VALLEY AUTHORITY

MR. KILPATRICK. Mr. President, let me say this. I have spoken to both TVA Commissioners personally. I've watched the West Virginia Legislature destroy the economic arguments in favor of nuclear—of Chairman Wagner. I've spoken to residents in western Kentucky, Tennessee, and Alabama. My first son was born in Catoosa County, Georgia, which is a TVA-served county. I would say this, the TVA appointment that you have now in your hands, thanks to the Senate's defeat of several nominations by your predecessor, is probably——

SENATOR RANDOLPH. Two.

MR. KILPATRICK. —right—is probably the most critical appointment and bellwether to coal people in Appalachia that you can make. If that appointment is overtly or covertly going to continue to allow TVA to start on one more generating unit for nuclear power, an awful lot of people are going to feel thoroughly betrayed. Additionally, the cost factors—as Chairman Wagner admitted, he had not

counted three major cost factors in his nuclear versus coal song and dance that he gave the West Virginia Legislature. If the cost factors on the current plants under construction are not in there, 100-percent cost overruns that have occurred in the past couple of years, are not given a thorough and objective review. I think that the TVA and your appointee or appointees, as I hear you may get two rather shortly, are really not serving the public interests or the consumers of the Tennessee Valley.

NUCLEAR REGULATORY COMMISSION

The other thing it seems to me, Dr. Schlesinger, needs to be done is to have a thorough cleaning out of the Nuclear Regulatory Commission's pronuclear people so that you have got some people in there that are at least halfway objective.

And as an example, I give you the environmental statement for the Marble Hill plant in Indiana in which the cost comparisons done by the Nuclear Regulatory Commission show that low-sulfur coal costs more on a fuel basis than high-sulfur coal even though it cost \$2 a ton to barge low-sulfur coal from Amherst or some other site in West Virginia to this site. And then they show the nuclear power is much cheaper, and when you check it out, you find the only low-sulfur coal the Nuclear Regulatory Commission recognizes in existence is in the West. So, they threw \$20-a-ton transportation costs in there.

This is just a specific example of what many of us feel are deliberate efforts by Nuclear Regulatory Commission staff to make nuclear better economically, only aside from environmental issues, than in fact it really is.

There needs to be an objective review of these things.

THE PRESIDENT. Thank you very much. Mr. Lloyd?

ENERGY AND THE ECONOMY

MR. LLOYD. Mr. President, I know that as chief executive officer of this country, your main concern is keeping our economy strong. There's just no doubt about it, as so goes the energy, so goes the economy.

It's interesting to note that in the Wall Street Journal this past Monday, it said our energy use rose last year 74.8 percent. I think Secretary Andrus was quoted in this article.

And I know that we have to conserve and we have to practice every conservative measure known to man that there can be. At the same time, I don't think we can let up on the supply. And that as we go down the road in years to come, if we're going to enjoy the economy we enjoyed today, if we enjoy sitting in a room that's air-conditioned, ample lighting, ample energy to meet the needs of the people, we're going to have to increase that energy supply. There's just no other way we can do it.

When we start talking about deterring our energy, deterring our energy growth, we're talking about deterring our economy. They just ride hand in hand or like a camel's back, they go up and down the same way.

THE PRESIDENT. I have a hard time believing though that waste contributes to a healthy economy. I think if we can start eliminating waste and get our growth down to maybe in the neighborhood of 2 percent or less, it would probably be adequate. This is the kind of economic consideration that will have to be done by many people in private life and also in the Government itself. But I think that we've got a long way to go before we damage

the quality of our lives, if we just eliminate obvious waste.

So, that would be the first thrust and then I think we'll have plenty of time to try to see where there is a balance between energy use and a quality of life.

MR. LLOYD. Don't misunderstand me. I'm not talking about waste, of course.

THE PRESIDENT. Right. I understand. We'll have one more comment, and then we'll move on to Mr. Reichl. Yes, sir?

SOLAR ENERGY

MR. REICHL. Mr. President, on this matter of solar again, I don't want to seem like the spoilsport, but I heard what the Mayor said about a 10-megawatt solar space station—

THE PRESIDENT. I didn't comment on that.

MR. REICHL. I think it is, however, important that you do comment, Mr. President. I think it would be lovely to be true. It isn't. There isn't going to be any space station sending down 10 megawatts in 10 years. And I think we should recognize that the real contribution of solar energy is very important, will be largely in the low-value heat that goes to space heating. And if by the year 2000, it will be 4 or 5 percent of our total energy, it would be a magnificent achievement and no more than that. I think it's important to recognize it.

May I ask, did you have a chance to make a comment on the subject of gas from coal at any time during the meeting?

THE PRESIDENT. No, but if you'd like to make a comment now.

COAL GASIFICATION

MR. REICHL. Very briefly, Mr. President, I believe it is one of the more overlooked opportunities. We are certainly running out of gas very rapidly. I think while the first gas we must make from coal

is the one that we pull out of boilers to be converted, I think that there is real merit in going from gas to coal. The interesting thing to me is that we had it 30 years ago, we had a multimillion-ton-per-year gas-from-coal industry in this country; it was a total parallel to the electric business and that's the way to look at it again. We were able to build gas from coal plants then without loan guarantees, without anything. They were regulated, they were financed like a power station. It is a little hard to see why we couldn't have it again with one added consideration. I think excellent technology is now in hand, ready to go on this thing. While the very first two or three plans may require loan guarantees, I think after that is started we will have a very rapidly, very exciting growth in that area.

SENATOR RANDOLPH. Mr. President, will you give me 10 seconds only?

THE PRESIDENT. Yes, sir.

THE CONGRESS

SENATOR RANDOLPH. I am not political when I say this: The Congress of the United States has been a whipping boy. Yet in the past 5 years we have passed and we have enacted into law 71 energy or energy-related legislative acts. We have had five administrations, and I do not name them politically. The trouble is that we have not yet had an administration at the White House level that has decided that we must have action on the energy issue.

Mr. President, we believe you mean to act. I feel this very strongly.

THE PRESIDENT. I mean to act. I've got some good people to help me act, including yourself, Senator.

Yes, sir.

ENVIRONMENT

MR. LIGHT. We do have some oil reserves in West Virginia. But there are a

few problems in getting this oil out. A partially, federally funded ERDA project by a private oil company 25 miles from here has raped the landscape in an effort to get more of this oil out of the ground. I would like to show you these pictures. This is just the beginning of the project.

I'd like to stress the hazard of going ahead with this project until some plans to minimize the environmental hazards are completed on this. There is no environmental impact statement. There are no environmental constraints in the project. The surface owners in this area are very upset about the pollution and rape of the landscape on their farms that this project appears to be bringing.

Also, I'd like to mention that some of our oil reserves, as well as our gas and coal reserves, would be flooded by one of these unnecessary dam projects. We strongly support your efforts to slow down the Corps of Engineers.

There's one dam that you missed that's coming here in central West Virginia, the Stonewall Jackson Dam. This would flood thousands of acres of farms—would also wipe out some coal, oil, and gas reserves. These projects are unnecessary. They would also prohibit us from getting this energy out of the ground.

THE PRESIDENT. I just wished they'd named it something else. It's hard for me to take action against it. [*Laughter*] I had a hard enough time cutting out the Richard B. Russell Dam.

I'd like to ask Cecil Andrus and Dr. Schlesinger briefly to outline the new Government organization bill, which sets up a department of energy. Since Cecil Andrus gave up a good bit of authority over some elements of Government function that were in the Department of Interior, let him start off and let Dr. Schlesinger wind it up. And then I think we'll move to the audience questions.

MR. SMITH. May I ask you one question?

THE PRESIDENT. Yes, sir. Ed.

BLACK LUNG PROGRAM

MR. SMITH. What about that black lung bill?

THE PRESIDENT. Fine. I'd like to let the Senator respond. The question is about the black lung bill.

SENATOR RANDOLPH. May I take an extra half-minute?

In 1969, as you know, Ed, we passed the initial bill. That was 1 year before the occupational health and safety act, which was for businesses, industry, generally throughout the country. We recognized the need in the black lung area.

We found that the Social Security Administration was not carrying out the intent of the Congress. So, in 1972, we passed another bill on the subject of black lung—for the first time we included the ailments of pulmonary and respiratory diseases so that more persons could have other than the X-ray, this further proof that they were suffering from black lung. That has been helpful.

We do find, however, that today there's a tremendous backlog of cases that are not being heard. We do feel they are the contested cases that must move more quickly through the courts.

At the present time, the House is beginning its hearings on the third black lung measure. We'll begin possibly next week on our Senate hearings before the Human Resources Committee.

I want to say to you that there is a commitment in the Congress. It began in '69, and we will follow through on it, I promise you that.

MR. SMITH. Thank you.

THE PRESIDENT. Cecil Andrus, about our reorganization proposal.

FEDERAL ENERGY REORGANIZATION

SECRETARY ANDRUS. Mr. President, ladies and gentlemen, the proposal that is before the Congress of the United States right now for the creation of a new department of energy, which the President has announced will be headed by Dr. Schlesinger, is, I think, very needed and long overdue.

We have had the components of energy scattered throughout the Government in many different areas, and it was very difficult to pin down exactly who was in control of what. So, the President has put together a proposal whereby the department of energy will gather from many different departments and agencies of Government into one entity in the new department of energy.

From the Department of Interior there are several components that are being removed now. There are several that were removed previously, because the pantry of the Interior Department was approached a couple of years ago when they created ERDA, parts of ERDA and FEA and others.

Under the existing proposal of the President's, we will also remove from Interior the power-marketing functions such as the Bonneville Power Administration, Southeast Power, Southwest, so forth. The data-gathering portions of the Bureau of Mines will go from Interior to the department of energy, and those portions of the lease procedure dealing with the economic portions of that lease, but the leasing procedure itself will remain in Interior.

The geographical selection of where the leases will be let the environmental protection portions will remain with Interior, but prior to the time that those leases are let, the new department of energy will then provide us with the criteria for the economic provisions; in other words, what type of bidding.

In the case of oil and gas leasing, the front-end bonus versus the royalty route, those determinations will be made. We will insert those provisions into the lease and then the Department of the Interior will continue as it has in the past to make the lease sale, and then we will be charged with the responsibility of seeing that that lease is upheld.

Now, that's a very brief sketch, Mr. President, of those portions that come from Interior, and I remind you, ladies and gentlemen, that a lot of other entities from other departments will also be going to the department of energy, and I think Dr. Schlesinger can comment upon that.

MR. SCHLESINGER. Mr. President, as you know, the purpose of the reorganization plan is to gather together in one department all of the authorities necessary to draw up and to effectively implement a national energy plan, a comprehensive energy plan. By itself, the creation of a new department, of a new administrative structure, does not solve the substantive problems in the energy area. It simply gives us an instrument, subsequently, to facilitate the solutions to those problems.

We need a bureaucratic instrument which ends the overlapping jurisdictions, the duplication, the conflicting mandates that presently exist. And we do hope Senator Randolph, who has been on energy matters over the years, a voice crying in the wilderness, that that cry will be heard and that the Congress will move rapidly with regard to reorganization.

THE PRESIDENT. Mr. Reichl, with Conoco.

MR. REICHL. This is an excellent move, obviously, Mr. President. I would hope that in giving the new department the necessary authority, it can also have the authority to what I would like to say is to lend stability and firmness to the pro-

gram that you have set forth in your policy to the extent that if you say we're going to convert station X to coal, for instance, that this question of intervention, which has been such a major problem so far, can be handled and dealt with.

We cannot commit new coal mines, new power stations, if anybody can come in after it's started and money has been spent and, by a suit, stop the project. I think this is a very important authority the new department will have to have to be effective.

THE PRESIDENT. I agree. One of the things that always creates havoc, whether you're in the farming business like myself, or producing energy like you, or power like Mr. Lloyd, or whatever, is predictability. We hope that when we get through with this analysis and say this is what we're going to do the first year, the second year, the third year, and 5 years from now, the people might then go ahead and make plans with some assurance that the plans can be carried out.

But the constant fear that a new regulation or a new law, a new requirement or new guideline is going to come along and just create devastating economic losses keeps us from taking steps that we would otherwise.

I think that another factor that's involved, certainly in the past, that I hope to alleviate now is the ability of people to feel that they have a voice in government. Whether it's someone who represents consumers or someone who's afraid that the beauty of the mountains of West Virginia will be destroyed, or whether it's a coal company ready to drill a new shaft, or whether it's the coal miners deciding whether to adopt mining as a profession, they need to know that in the heart of the government that there is some place they can go to make sure their voice is heard and to make sure that the legislation and

decisionmaking process takes into consideration their own specific needs.

In the past I've not felt that way, even as a Governor. I had a hard time finding somewhere to go in Washington where I could register a complaint or get the answer to a difficult question. In the future, in energy, there will be one person to go to. That's Dr. Schlesinger. And if he should have difficulty making a decision or if there is a difference of opinion between him and, say, Secretary Andrus, then I, as President, in the executive branch of Government, will make the decision.

If a constant series of questions comes up, ultimately the Congress will have to pass a law to put into effect a permanent solution, but in the past it's been so confused that nobody was responsible for it.

I think there are about 50 different Federal agencies now who have some voice, a very strong voice, in different aspects of energy production, conservation use, the rate structures for charging consumers. We want to make sure that we bring some order out of this chaos. And I think it's very encouraging at the speed with which the Congress is giving attention to this reorganization proposal. It's highly controversial. It makes major changes in the structure of government, but I believe that we'll have it passed, I'd say, hopefully by the end of April, maybe even before the April 20 deadline.

Mr. McManus, I would like to go to the audience, but I will recognize Ms. Stephenson, too.

MR. McMANUS. I wanted to say something to Dr. Schlesinger, Mr. President.

Dr. Schlesinger, in your anticipated role as the head of the new department which the Congress is acting on now, I would want to repeat a suggestion I made last year at the Southern Interstate Nuclear Board meeting in Winston-Salem, in which I talked about the variety of in-

formational items coming out of Washington.

There was no continuity about the information. In fact, we in the West Virginia Legislature relayed letters to the prior administration about disagreeing facts on reserves and the contents of reserves and the inaccurate information emanating from various departments.

I would hope that you would establish one office which would coordinate all the energy information and check it with Geological Survey teams in the various States to be sure it's accurate, so that when you say something about energy reserves, you'll know that it's accurate and will not be coming from a maze of various offices.

And in addition to that, I remember Senator Randolph a moment ago mentioned the \$700 million loan program for low-sulfur coal, deep mines. I think it's applied to 1 percent and lower. I would hope that you would review that quickly and be in a position to affirm the congressional decision and make those loans available posthaste so that people could get along in that field.

Mr. President, I know you've expressed concern about the housing problem, but it, too, will be important in expanding energy production. We have to do something about housing.

THE PRESIDENT. Judy Stephenson.

MS. STEPHENSON. In February several citizens from this region—Tennessee, Virginia and Kentucky—and I, myself, from West Virginia, went up to speak before Morris Udall's committee regarding H.R. 2. Our reception, we didn't feel was extremely warm. The room was filled with industry people who could afford lawyers, and in general, I was surprised at our reaction.

I'm glad that you're coming here to talk with us, because going to Washington doesn't seem to work sometimes.

I really am glad that the department of energy is going to be set up so that citizens will have access. But one of my concerns we talk about, that we talk about consumers, you know, the impact on the consumer. Very little has been said in the past about citizen input or consumer input. And I think that not only just talking about it is a good idea, and we are going to do it, but I would like to see the administration set up structures for doing that; I mean avenues for doing that, and that the public knows what they are and that there be more than just one.

THE PRESIDENT. Thank you very much.

MR. LLOYD. Mr. President, this panel thanks you very much.

THE PRESIDENT. I thank you.

MR. LIGHT. Mr. President, I'd like to show you these bottles of polluted water from our coal mines in West Virginia and point out that we were very excited in 1972 when the Congress passed a strong water pollution control act.

For 5 years, citizens groups in this State and others, other coal-mining States, have been frustrated by the previous administration's great sensitivity to the coal companies, apparently to not enforce this law in any way, shape, or form. Right now, there are hundreds of mines operating in West Virginia without their required discharge clean-up permits. The Federal EPA's new effluent guidelines for strip mines have major loopholes in them. The coal companies didn't think there were enough loopholes in them.

So, we've gotten the draft of an impending additional relaxation which will be totally unenforceable. If these permits ever get issued, the priority system set up by the previous administration puts the lowest priority for enforcing the Federal pollution clean-up laws on coal mines. This policy obviously has to change if we're going to protect the streams in West

Virginia for recreation and public water supply.

THE PRESIDENT. Very good. I think that this whole discussion today, with a wide range of opinions expressed around the table, is not only healthy, but it shows our own interest, particularly Dr. Schlesinger's interest, in having input from different interest groups. It is not an easy thing for the coal operators, the coal miners, the leaders of the unions, the citizen groups, the environmental groups, and others to have a chance to communicate with one another.

I think that if you wanted to go to Washington now—I am not criticizing anyone—it would be hard to put this kind of group together. You wouldn't know where to go to meet. But I think in the future, just having one agency responsible for most of the questions that have been raised this afternoon will give us a remarkably good way to exchange ideas and to work harmoniously, rather than at cross-purposes.

We are a little bit early in getting through with the panel. I did it deliberately. I hope nobody minds. I thought we might go now to the audience, if there are questions from the audience. I think there are some microphones here, and you kind of line up. I am not going to try to answer the questions. I am going to refer the questions to these experts in front of you. But if you would, please, identify yourself in each case, and then state your question as briefly as possible.

QUESTIONS

COAL

Q. My name is Richard Bernard. I'm with the West Virginia College of Graduate Studies here in Charleston.

I thank you, Mr. President, for coming to Charleston and saying to us you are

willing to risk your popularity as we talk about this issue.

Mr. President, the experts now believe that coal is the answer to our energy salvation and our economic well-being. I think that's been verified here today rather amply and that we're going to have to increase in the next 10 to 15 years coal consumption by perhaps two- or threefold what it is now.

Much of the coal we have in this State is currently not usable because of the sulfur content and the prohibitions we have imposed upon discharges into the air. Contrary to the new director of EPA, I do not believe that any reputable engineering firm believes we have the technology to remove SO₂ from large discharges on modern powerplants such as our John Amos Plant here, nor can we remove it by treating all of the coal that is burned. The technology simply does not exist on a proven, reliable scale.

Therefore, if you will accept that for the moment, one important step that we could do to increase coal consumption is to take a more realistic look at the current ambient air standard of .02 parts per million SO₂. President Carter, can we count on your administration to adopt a higher SO₂ standard, perhaps one or two parts per million?

THE PRESIDENT. I don't know yet. This is something that we would approach with a great reluctance, but I'll have to learn more about it before I can answer that question. Perhaps I can ask Doug Costle to respond, and also Mr. Reichl, and then perhaps let any other members of the panel who want to see whether or not it is advisable or necessary to move to a higher, or, rather, a lower air quality standard in order to meet those needs.

MR. COSTLE. Mr. President, I have under review right now the existing sulfur standards, and that will be an ongoing re-

view. What I'm finding, and the evidence that I am seeing is that there is, if anything is to happen in the future, in all probability the additional health evidence that we're gathering will force us in the future to ratchet down those standards. We don't have enough knowledge at this point to set standards for some pollutants that are sulfur-related, like sulfates, and are not likely to have that kind of data until probably around 1980.

But if anything, the growing weight of the evidence suggests even more caution and prudence on the sulfur standard. One of the things we absolutely have to be sure we're doing is that when we set ambient standards, then when we move the next step to decide what emissions limitations to apply to individual sources in order to meet those ambient standards, that we don't overregulate, that we set the emission standards at precisely that amount necessary to meet that health standard and to provide for an opportunity for additional growth in the region. But we will have those standards under continuing review.

THE PRESIDENT. One of the questions that I have had asked me several times, Georgia a long time ago decided to set its standards at the ground level where people live, and we authorized the construction of very tall stacks, I think an average of about 1,100 feet. As a consequence of that, we produced about 85 percent of our electricity using coal.

Florida, for instance, uses, I'd say, 15 percent coal to produce their electricity. I think Arkansas would probably be in the neighborhood of 15 percent. I'm not sure about exact figures, but that's one possible solution for it.

And I think you are right. We need to have a much clearer concept of how people's health can be protected, but not set standards so rigid that they rob the consumers of money that can be used to con-

tribute to their own health and quality of life as well.

Mr. Reichl?

MR. REICHL. Mr. President, I guess one of the points that was touched on really by the question was that we don't set standards which are physically not attainable and that the issue here is, is it true or is it not true that you can build a power station with scrubbers today? I think the facts are that there are some. There are quite a few more than have been committed.

So, it is obviously not a uniform view on the subject. There are some utilities that say they can and some say they cannot. But I will say again what I did earlier. I think that in the Federal research program this subject has been singularly unattended, and I hope we can see a real drive towards better scrubbers. As a minimum, I think we must admit the scrubbers available that are all based on lime, essentially, are really a disaster, and they are transferring an air pollution to a water pollution problem.

MR. KILPATRICK. Mr. President, three brief things. I'm not sure where the questioner gets the idea that the majority of West Virginia coal is high-sulfur, as I think he implied. It isn't. We are the largest reserve of low-sulfur coal in the Eastern United States, and our neighboring States of Virginia and Kentucky share in that.

Raising sulfur standards to 2, 3, 4 percent is not the way to increase West Virginia coal production.

Secondly, I was in Ohio Sunday. I saw a powerplant with tall stacks emitting, and the EPA in its goodness has allowed this plant to emit or to use 4 percent sulfur coal, which happens to be what they mine in the Ohio area without cleaning it. And I watched a cloud of yellow smoke come out of that stack, and I have never seen that type of cloud produced in West Vir-

ginia. We do have stricter air regulations. I watched that cloud, as I drove up toward the mining area that I was going up to inspect, go for 5 miles over my head at about 35 miles an hour along with my car and not dissipate.

I think there needs to be some rather careful look. It was raining. I didn't have a chance to test the pH of that rain, but it would have been interesting to do so, I think. That cloud didn't dissipate the way we are always told that this stuff just disperses around. I think that needs to be looked at carefully.

You know, the last thing in this is, with the use of the scrubber—we have a power-plant in this State, Allegheny Power System, Monongahela Power, spending \$200 million on a scrubber to build a new plant in Pleasants County, West Virginia. Now, I just don't believe, contrary to the suggestion by the questioner, that the engineers at Monongahela Power are incompetent. I don't believe they would be spending \$200 million if the scrubber didn't scrub.

THE PRESIDENT. I think we probably ought to move on to more questions unless somebody has an urgent comment to make.

SENATOR RANDOLPH. Mr. President, give me 10 seconds. Talking about Ohio and West Virginia, we took care of that matter yesterday as we marked up the amendments to the Clean Air Act, when an amendment was offered, and I offered it, that stops the so-called dirt moving over from Ohio into West Virginia. That is stopped under the amendment, absolutely.

NATURAL GAS PRICES

Q. My name is Virgil Matthews, a Charleston city councilman. I, too, want to thank you, Mr. President, for coming here. I was very active in your campaign, by the way. I'm also very happy to see our

senior Senator, Mr. Randolph, who I am sure is going to be very helpful to you, as he has been to other Presidents in the past, and to the State of West Virginia.

It would seem to me that the elements of any energy policy must call first for conservation, as you say, elimination of waste. It is certainly true that we do waste a lot of energy. It goes right up the stacks.

We have to try to save our gas and oil reserves actually as a base for the petrochemical industry, which is one of our most important industries. Otherwise, we don't have any gas or oil. We're not going to be able to make petrochemicals. We have to move to convert large powerplants, large industries to burning coal, as has been the emphasis here today.

Then in the long run, looking further down the road, we've got absolutely to develop solar energy, because as somebody said, and as I read in the newspaper yesterday, Secretary Adams, the new Secretary of DOT, indicated that, you know, all of the fossil fuel is eventually going to run out. I think Mr. Schlesinger made that point today.

We are going to have to do something like the Manhattan Project, a crash program to develop solar energy.

The question that I have got is, at the present rate structure of natural gas, which really gives quantity discounts, that is, the more you use the lower the price per cubic foot, it does not encourage large plants, utilities, et cetera, to switch from gas to coal, or to stop wasting energy by installing equipment to burn fuels more efficiently. The reason is that buying more gas and burning more gas is cheaper than doing these other things.

Do you intend in your energy policy to recommend changes in the rates for natural gas usage so that the use of more and more gas is penalized, that is, the rate goes up instead of down as you use more energy? In my mind, I think this is one of the

most important steps that you can take to encourage conservation, because I don't think voluntary conservation will work, but economic conservation will.

THE PRESIDENT. Thank you, Mr. Matthews.

I am going to let Dr. Schlesinger answer that.

MR. SCHLESINGER. We will be reviewing a variety of proposals with regard to rate structures and, in particular, with respect to the natural gas market which is in such a sad state of disequilibrium. There will be proposals to reduce the temptation for industry excessively to burn gas.

THE PRESIDENT. I think in the stationary powerplants, the use of natural gas is going to be phased out as rapidly as we can.

REGULATORY REFORM

Q. Mr. President, my name is Edward Hall.

My question is actually directed to Secretary Andrus. I would like the Secretary to know that I am a practicing lawyer here in Charleston, and I have corresponded with him since his appointment to his position.

The question, in fact, deals with what the representatives of the industry feel is an inhibition to greater production of coal, especially in West Virginia, from the inconsistencies possibly, in the application and interpretation of a very good law, the 1969 Coal Mine Health and Safety Act.

Your predecessor, by regulation, created what is called the Interior Board of Mine Operations Appeals. It is not a statutory body. The members of that particular reviewing body are lawyers who do not qualify from any other sense of qualification through any civil servant requirements, and in their interpretation of this particular law, it seems to be that there have been created several inconsistencies.

I think maybe the lack of direction to the industry and, for that matter, as far as labor is concerned, in the interpretation of that law itself, causes an enormous amount of litigation.

My question is in the form of what was your response to the administrative law judge group's proposal to abandon the Interior Board of Mine Operations Appeals? As I understand, their recommendation is that if you did that, that it would streamline the administration of your office and would save the taxpayers over \$1 million a year. I wonder what your position on that is?

SECRETARY ANDRUS. Mr. President, as a matter of fact, that's before the Solicitor, within the Department of Interior right now. Frankly, you advised me and the group that you have corresponded with me, implying that I haven't answered. If I have not, I beg your pardon.

THE PRESIDENT. He did.

SECRETARY ANDRUS. Yes, I did.
[Laughter]

I would point out that before we had the Solicitor and the Under Secretary and others confirmed, I was like a yo-yo, back and forth to the Hill, and I signed those in stacks at night. So I thought, "Oh, oh, I've lost one."

But it's before the Solicitor's office internally right now. It's attractive with reference to the savings that we can bring about to the taxpayer.

Our concern, sir, is simply whether in fact there was some productivity within that Board that should be salvaged in another way and cut down the redtape. And I'm not prepared to say that to throw it all out is the answer. But our Solicitor is looking at it right now and perhaps by tomorrow will have helped to bring about that determination.

But I'll correspond with you again.

Q. I appreciate that, sir.

POLLUTION

Q. I'm Professor Benjamin Lynsky of West Virginia University. Mr. President, it's a pleasure to see you here and addressing our problems. Please excuse my voice. Part of this is probably nervous tension.

Governor Rockefeller, Senator Randolph, friends, others: My special interest and my expertise is in the field of environmental engineering and air pollution control, especially. I would like to address one specific problem and bring two others to your attention.

The specific problem I would like to address is in looking at any of the air pollution standards, any of the air quality standards, that it be recognized that the Congress, and I hope you, also—and from your expressions I believe you agree—have very clearly made it evident that it is not just health alone but health and welfare, meaning the amenities, the things that make West Virginia lovely, the visibility that allows us to see the vistas, and the tall stack, unfortunately, allows the tons of sulfur dioxide to go into the air and become sulfates. And whether they go into our lungs and hurt us or bother the vegetation or not, they still provide a milky haze even on the brightest, most beautiful days, a milky haze that otherwise would not exist.

A second point—I hope that you can join me in that expression of feeling that the Congress has expressed several times; I hope you share it—that is health and welfare, and not just health alone, not illness alone.

The two points I would like to bring to your attention are, one, a missing factor. The missing factor in all of the discussions and all of the legislation that I know of thus far, Federal level and at State levels, is a lack of a perpetual care fund for water pollution from acid mine drainage, from both deep mines and surface

mineage. There is no perpetual care fund provided for. In many States, there is a modest surface mining bonding and some deep mine bonding. But for small amounts, it might be in the order of \$200 or \$300 per acre; whereas we learned from the hilly lands overseas that it takes \$3,000 to \$4,000 an acre to preserve and protect perpetually lands that have been surface mined for coal. That was my point of information.

A third point—and this is something that I think would be most dramatic to you—these are some charts of the surface of the State that could be stripped to remove the small percentage of coal which is strippable in the whole State and the various counties. You might wish to look at these.

THE PRESIDENT. Thank you, sir. Thank you very much.

Does anyone want to respond to Professor Lynsky's comment?

MR. LIGHT. I'd like to point out that although we do have on the books pollution control laws for the active mining, there is a real problem in that the abandoned mines cause hundreds of miles of West Virginia streams to be degraded. And the current laws will allow new deep mines or drift mines into the mountain-side to be developed so that they will be impossible to seal after mining. A slight modification in the mining technique, such as down-dip mining, is a little more expensive for the coal companies, but it would allow this water pollution to be controlled after the mine is closed.

The alternative is to have centuries, and scientists have documented that the acid will continue for centuries after the mine is closed, even if the treatment plant is operated while the mine is active.

SENATOR RANDOLPH. Don Whitehead, the Federal Chairman of the Appalachian Regional Commission, is here, presumably, in the room.

THE PRESIDENT. He is here. I see him.

SENATOR RANDOLPH. Fine. Under the program we are going into this subject very deeply, and I want to commend the Commission program in that area.

THE PRESIDENT. Mr. Jones, would you like to comment on that?

MR. JONES. Yes. I know that Ed Smith and Arnold Miller and I wouldn't like to work in any down-dip mines, 'cause we don't want all of that water behind us.

THE PRESIDENT. Professor Lynsky, thank you very much.

TRANSPORTATION SYSTEMS

Q. My name is Alan Sussman, State senator from Beckley.

Mr. President, I'm very pleased that you're interested in West Virginia and West Virginia coal, and some of the things that I'd like to call to your attention that could aid in increased production, number one, would be some acceleration of Federal dollars for our highway program.

West Virginia is a very expensive State in which to construct highways. Some of our interstate programs need to be completed so we can get this coal out of the mines to the various transportation points.

Next, Mr. President, is that some aid, Federal aid for our housing program—we just completed a study, just in southern West Virginia, and approximately 20,000 homes are needed there on an average cost of about \$30,000 to \$35,000, which are modest costs for homes today.

You have a figure of something to \$600 to \$700 millions of dollars. And that far exceeds the financial capacity of the financial institutions in southern West Virginia. And if you would give those two items some attention, it would help in the production.

THE PRESIDENT. Senator, those are very good points. I might say that as soon

as I got in the automobile with Governor Rockefeller, he brought up the same two points. [*Laughter*]

I think that we have got now a Secretary of Transportation who will be working very closely with the legislature here and your congressional delegation and your Governor. I would like very much—I've already talked to Jay Rockefeller about meeting specifically with the Director of EDA, who is Secretary of Commerce Kreps, Juanita Kreps, and also with Patricia Harris, who is the new Secretary of HUD. I can see that as we put an emphasis on increased coal production, just to bring it back up to where it was 10 years ago in West Virginia, that you are going to have to have better highways and more housing.

So, that's a good point that you've made. And I think that this discussion, which has been focused today on just mining techniques and reorganization and long-range trends, has those practical applications. And I think your point is well taken.

SENATOR RANDOLPH. We also have to rebuild the trackage of the rail system. Our coal is unable to move, perhaps 20 miles an hour in some instances, over the tracks. And this is a program that Congress and your administration certainly, I believe, will attack.

THE PRESIDENT. Thank you, sir.

ENVIRONMENT

Q. Mr. President, members of the panel, my name is Willis Farley. I am a retired former coal miner, as well as a former chemical production worker, Union Carbide, locally. I have lived in southern West Virginia all my life, and I have seen the coal industry go hot and go cold, as circumstances seem to dictate from time to time.

I'm not here as an individual really. I have been most active for the years I've retired, and even some before, with senior citizens' activities as well as all the things that have been discussed here. I have been very much involved with the Clean Air Act and all of the environmental problems which have beset us.

But I have been chosen by a group of senior citizens, if we could get to the conference here, to speak somewhat for them.

THE PRESIDENT. I want to hear you, but we need to be very brief, if you don't mind.

Q. Yes, sir, I am going to right now, Mr. President.

We meet in a very comfortable, urban, metropolitan area today. West Virginia is, in fact, a rural State. And I would assure you all here that if we get up into the creeks and the hollows and see the people whose roots are deep in the Appalachian Mountains, being displaced and impacted in other ways by industrial activity and particularly coal mining, I think you will want to consider the sociological aspect of this problem as well as the economic and environmental; not diminish those, but to emphasize the sociological aspect.

I think that Senator Randolph had started to steal my thunder. I did want to suggest that something be considered or some response to be made for housing and other amenities that will be required as the employment increases in the coal mines.

And I might say that even though it may seem to some an unpopular position to take, I would say quite frankly and candidly that I honestly do not believe that West Virginians want their mountains topless.

Thank you.

THE PRESIDENT. Thank you very much.

I'd like to add one other point here. There is no one in the Senate who helps and cooperates with me more than your senior Senator, and majority leader, Senator Byrd, has worked very closely with me, too. I have promised the American people to have a balanced budget by fiscal year 1981, and I'm going to do the best I can to keep that promise.

I see some signs around about stopping various dams and so forth. I have asked the Senate and the House to reexamine the need for construction of projects that were approved 10, 15, 20, 25, 30 years ago, when interest rates were down around 2½ percent interest and when there was no consideration given about safety, the construction of dams on earthquake fault zones, and when there was very little or even knowledge of the word "environmental quality" or "ecology." And I think that we can have railroads repaired and highways built and housing programs provided and the budget balanced and a healthy economy only if we don't waste money in building projects that are no longer needed.

And this is going to be a major struggle between me and the Congress, and I hate as a brand new Democratic President to have an argument with the Congress. But I'm determined to let the American people know about this particular consideration.

I believe that we've got to—and the whole country has got to go into the process of reexamining past considerations that were accepted just as a routine matter, and say, have we made a mistake; have we started down the wrong road; have we had an improper priority established by the expenditure of scarce financial and human resources?

And I think that I would use this opportunity very briefly, since the subject has come up two or three times today, just to say that I am very determined to

present to the American people my side of the argument. But it is done with the best of good will between myself and the Congress. It's not anything personal about it. It's just the difference of opinion.

I think we can have a good quality of life; I think we can have clean air; I think we can have pure water; I think we can have open streams; and I think we can have a balanced budget—all at the same time we meet the needs of the American people.

Yes, sir?

STRIP MINING

Q. I am Robert Gates, local filmmaker and engineer. I'd like to ask a rather broad question relating to strip mining to the panel as a whole, possibly Governor Rockefeller. I would like to see if we could come to some consensus, how much land we want to strip. It has a lot in kin, I think, with Professor Lynsky's charts that he handed you. How much of West Virginia do we want to strip mine? How much of the Nation? Because the land area that has been strip mined is immense, and the land area that will be strip mined probably in the next 25 years, the strippable regions of this country, is enormous.

So, I think we have to—talking about reclaiming and minimizing the effects of specific strip mines is well and good—but we need still to take an overall, broad look at what we're doing. How much land do we want to strip? How much land can we afford to strip? We mine 50 percent of our coal today by strip mining. That percentage increases yearly.

And we're going to be using a lot of coal. I don't think myself that we can afford to strip all the strippable land in this country.

THE PRESIDENT. Let me let Governor Rockefeller respond first, and then if any

other member of the panel would like to respond.

Jay?

GOVERNOR ROCKEFELLER. Thank you, Mr. President.

One of the, I think, fortunate aspects of our coal production in the State of West Virginia, at least, is that only 20 percent of our coal is produced by the strip mining method, and the rest is done by deep mining. In Kentucky it's about 60 percent strip mining and about 40 percent deep mining. I prefer, frankly, our balance.

We reclaim about 25,000 acres per year, and it's my own judgment that we can have strip mining in West Virginia if we are able to look out into the future. This may be a responsibility that the government has not exercised at the State level, to decide where it is that it is not for the long-term benefit of the State to have strip mining and where it is that it is.

Our director of the department of natural resources has the ability at any time to declare an area simply off limits for strip mining. That is rarely exercised. But that could be exercised. I think with intelligent planning, perhaps even some degree of land-use planning, exercised either by State government or by county governments, that we could reach an acceptable solution to the problem of still producing coal, but not producing it to the detriment of the long-term State planning.

THE PRESIDENT. How many acres per year are strip mined in West Virginia?

GOVERNOR ROCKEFELLER. We issued last year about 272 permits, Mr. President. Some of the Western States issue 5, 6, or 7 a year, but Kentucky is up to 450. And the average size of those will be 200 to 300 acres.

MS. STEPHENSON. Last year, Mr. President, about 23,000 acres were issued under permit. That was just for 1 year.

THE PRESIDENT. And you reclaimed 25,000. So you're reclaiming now about the same acres as you all—

MS. STEPHENSON. Some of that is being reclaimed which is abandoned orphan lands. I don't know the percentage on that. But there is a percentage of that that's going for reclaiming of those lands. So in all of them, of course, that's under permits, isn't being stripped, you know, that year. I was just going to say, to reclaim all the orphan lands is going to take 10 years, if we reclaim 25,000 acres a year, because we have about a quarter of a million according to some statistics I have seen.

Could I respond to a couple of other things?

THE PRESIDENT. Please, while you have the floor.

MS. STEPHENSON. One of the concerns we had about strip mining in "Save Our Mountains" was the fact that all the permits in this State, and I gather the permits that are going to come after H.R. 2 and Senate bill 7 become law, are going to be done on a permit-by-permit basis. In regard to mountaintop removal, there has to be impact statements made. That has to be looked at, some use of mountaintop removal, unless—the industry is trying to get this changed, I believe. There has to be valid use for that land afterwards, and there has to be as good or better than the use before.

That's going to present some problems out west. It's going to present some problems here. I would like to see those regulations left in. But the problem is that if it's on a permit-by-permit basis, that these strip mine permits are granted, there is no place currently in this State where there is an overall look at the whole regional impact of what that means, whether it is watershed by watershed,

whether you want to call it a State planning area or by State.

And I think that's extremely important, that in looking at the long-term energy needs of this country—and I think we have got to talk in 50 and 100 years as well as 5 and 10—we have got to look at the overall long-term effect it will have in southern West Virginia.

A few years back in the late sixties, when I was working for State government and I was getting into solid waste disposal, stripping then was becoming a reality, and we were talking about the fact that ultimately—this was a joke at the time—that what we could envision is stripping most of southern West Virginia and turning it into a solid waste disposal landfill for the eastern part of the country while the eastern part of the State provided electric power to Washington, on up, you know, with our hydroelectric plants.

So, I think that there is a real possibility. And this year when I was in Washington talking with other groups from out west, Northern Plains Council, we were talking about a tradeoff.

Maybe we'll take southern West Virginia and Gillette, Wyoming, and just let them devastate those two areas and give them to the country. I think there is a real possibility that could happen. I think the Federal bill is going to help. But there has got to be a look at the impact regionally and nationally to the strip mining.

THE PRESIDENT. I would like to let Secretary Andrus respond to that.

SECRETARY ANDRUS. Ms. Stephenson, let me say two things. First of all, in H.R. 2 and S. 7, there is a provision for a collection of a fee, an assessment or tax, upon each ton of coal. This then is utilized within the State. It's collected; if it's not expended within 3 years, it can be used anywhere in America for the recla-

mation of orphan and abandoned land. You are right.

I can take you into—well, let's not say West Virginia, let's say another State—and show you practices of many years ago where strip mining—it looks like the aftermath of world war III. We were wrong. We erred. And now it's going to be very, very expensive to clean that up. But at the same time, we have to go forward with a reclamation plan that will make it possible to use that land for something else.

To me—and I've heard President Carter express it that strip mining should be a temporary use of the land, that when you have finished with the strip mining that land should be put back in the form that it can be used for something else.

The money will be there, but not enough, Judy, to do all of the orphan land at one time.

Now the selection—and we face that fact. We are going to take care of what we are doing from now on, and we are going to start working on the backlog, but you would cause quite a burden upon the consumer if you made the consumer pay all at once for picking up all the orphan lands, too.

We're not going to ignore it.

MS. STEPHENSON. I didn't mean to suggest that. The reason, I think one of the things the Governor brought up is about the power of the director to delete areas from strip mining. There is a great deal of concern about the Cranberry back country and a few other places here that are now under study for a national wilderness area.

The one thing I would suggest that would be included in that regional look is that there are certain areas that for whether you would call it ecological reasons, for reasons of unusual wildlife or botanical reasons or for other reasons, like increased flooding, should be looked at.

And there should be ways of deleting those areas from the strip mines.

THE PRESIDENT. Secretary Andrus is also in charge of that program.

SECRETARY ANDRUS. I would just say very briefly, because I thought that the Governor responded to that, let me reiterate what he had said. We have vast amounts of coal in the public domain lands of America. Here you're not just talking about public domain lands. We have the opportunity to say yes, we will mine here, but we won't mine over here for the very reason that you point out. And I think that that's a choice that America can make, that should be made, and if you're talking about public domain lands, then the answer is yes, we have the right to say no, you won't mine over there. And I think that's the way it should be. I would suspect that your Governor, I don't want to put words in his mouth, but I've talked to him enough to know that he feels very strongly about protecting some of these pristine areas that the President has talked about and I've talked about, and they're just not going to destroy the whole world. But we are going to meet, you know, our responsibilities.

THE PRESIDENT. Senator.

SENATOR RANDOLPH. Mr. President, a few mornings ago when you unveiled the energy department proposal at the White House, you were specifically asked what about solid waste. Judy has introduced that subject here this afternoon.

I think that she should know and I'm sure she does know that under the legislation which we passed last year and became law, we are giving technical and even financial aid in connection with a resource recovery program.

We hope it will work. But there's one thing that was written into the law, Judy. We're going to stop open dumping in the United States within a period of 5 years.

THE PRESIDENT. We only have about 15 minutes in all left. And I'd like to maybe take two quick questions from the audience and then let the panelists, if you have some last, not more than two sentences, to wrap up what you'd like to say, and then we're going to close out.

AIR POLLUTION

Q. My name is Samuel Kucik, I'm minority leader of the West Virginia Senate. And my people ask me, one, is there hard data that SO₂ emissions are in fact bad enough to take out of the air; and, two, what is the rationale since we are one United States, that West Virginia coal which is mined in West Virginia can be burned in Pennsylvania in one EPA region out of Philadelphia? It can't be burned in the State of West Virginia, but it can be burned in the other EPA region in the State of Ohio. So, it's rather paradoxical that we can burn West Virginia coal in Ohio and Pennsylvania, but we can't burn it here in West Virginia.

THE PRESIDENT. I understand. It's hard to draw the logic. I could give you an answer. But I'll see if Doug Costle can give you a logical answer.

MR. COSTLE. The evidence on the health effects of sulfur is, I think, pretty hard, and it gets harder as time goes on. The question of how much and how high a level of sulfur coal can you burn in any one place, whether it's Virginia or Ohio, depends almost exclusively on how much total sulfur is going into the air in that region.

If you've got a lot of sources of sulfur in one place, then you're going to have to bring the levels down from all of those sources even more stringently than you would if you only had a handful of sources, because what we set the health standard on is the ambient levels, that is, what total burden of sulfur in the air.

And that's why it's so difficult, particularly in industrialized parts of the country, to meet these health standards, because we've concentrated our industries and our populations in such a way that some parts of the country require more stringent controls in order to get the total burden in the air down to that health level.

Q. We understand that. But it's rather difficult when you're standing in West Virginia and you see a powerplant sitting here and then you see the Ohio River and you see a powerplant sitting there.

MR. COSTLE. Absolutely. Now there should be no unevenness—I mean, the air pollution problems don't fall neatly or aren't broken neatly by State lines. And one of the things that Senator Randolph and the Committee and myself have been worrying about are how we bring real equity to the situation so that contiguous States in fact have comparable requirements. That is something we will address.

THE PRESIDENT. Senator, one point I would like to make in a highly nonpartisan way is, it is hard to correct in 8 weeks the mistakes of the last 8 years. But we're trying.

Senator Randolph, I think, pointed out earlier part of the answer to your question, and perhaps you'd repeat it.

SENATOR RANDOLPH. Yes. I would like to indicate that Ohio is in the Chicago EPA region and West Virginia is in the Philadelphia region. And of course, the winds don't blow west to Chicago from Ohio, you know. They blow east across the river into West Virginia.

THE PRESIDENT. Didn't you comment on the amendment that was adopted yesterday?

SENATOR RANDOLPH. Yes. It was passed yesterday as we had the markup on the Clean Air Act amendments, and it will be in the bill as brought to the Senate floor, and it will be passed. And we're

sure the House, when we go to conference, will accept it.

THE PRESIDENT. Senator, that's an excellent question, because there's another area that I don't want to get into this afternoon because of time. When you set emission standards on automobiles at one level of stringency and you have a completely different level of stringency for stationary powerplants, that's not logical, either.

So, I think to look at the whole realm of air pollution and water pollution standards at one time, from one viewpoint, we'll make some adjustments both ways that might make it more logical in the future. There's no way to give you a logical answer to your very excellent question.

Q. If you can bring logic to the Federal Government, we'd be very pleased.

THE PRESIDENT. Well, I can't promise that.

ENVIRONMENT; REVIEW OF ENERGY PROJECTS

Q. Mr. President, we're certainly glad to have you here in our State. And in case you need a place to spend the night, my husband and I would be glad to have you. If not this time, maybe another.

One of the points I wanted to bring up was the one addressed by Ms. Stephenson just a minute ago and by yourself, was how are we going to protect some of the really valuable natural areas we have in our State under your new energy program.

We are very much concerned that these not be sacrificed to energy. We understand the need for both energy and a decent natural environment, and we hope that there will be very clear sections and regulations on how certain watersheds in our State can be protected; specifically,

the Schaffer's Fork and the Cranberry area, which has already been mentioned.

Another comment I have, a question, is that since there are several energy inefficient projects now pending before our regulatory and licensing agencies that do have significant implications for our natural environment, and in light of your recent actions to review the cost-benefit of several water-related projects in the country, and since you do plan to change our country's energy use and production, I wonder if you plan such a review for pending energy-related projects?

THE PRESIDENT. Yes. I think Dr. Schlesinger can answer that better than I, but—in fact, I think I'll defer to him to answer both parts of your question.

The difficult matter that hasn't been addressed is how do you draw a line between local and State authority on the one hand and the Federal authority on the other?

My own feeling is that within the State of West Virginia, your own government, the legislature and the Governor, ought to decide which areas ought not to be disturbed.

In Georgia, for instance, we've got 600,000 acres of marshlands, and we passed a law so no matter what's under those marshlands, nobody can touch them. And I hope a thousand years from now those marshlands will be just exactly the way they are now.

That's something that the Federal Government ought not to get into. It ought to be a decision made by the State.

Now, on the other hand, you've got areas of lands, sometimes two-thirds of a State out west, that are owned by the Federal Government. And Cecil Andrus and his successor will have control over which parts of those lands can be disturbed for strip mining and other purposes.

That's pretty clear delineation of authority. But now when the Federal Government sets standards for the preservation of land areas, that's where you start running into, sometimes, a disharmony between the local or State government on the one hand, and the Federal on the other.

I don't know how to answer that question.

Q. I just wondered if you felt like you could encourage that action a little more than has been done in the past?

THE PRESIDENT. I think so, yes.

Q. I'd certainly appreciate that.

THE PRESIDENT. I believe that's an accurate thing to say, that we can. Perhaps Dr. Schlesinger would like to respond to the last part of your question.

MR. SCHLESINGER. I think that the main point to keep in mind, Mr. President, is that the water projects that were authorized were authorized in a period of much lower interest rates, in many cases before there were environmental considerations.

The energy projects of the Government have by and large gone through the environmental review, some of them will indeed be reviewed on that basis, including the breeder program.

THE PRESIDENT. I think you might have noticed that in our budget amendments that we recommended a substantial reduction in research and development funds for nuclear power, particularly in the breeder field, and a substantial increase in funds for coal production. I think that would be a pretty good preview of what's going to happen in the future.

I'd like to ask all those that are standing in line that haven't had a chance to ask your question—if you'd write your question down, Tim Kraft, on my staff, with a beautiful green carnation in his lapel, will take up the questions.

And I'd like to ask Dr. Schlesinger or Doug Costle or Secretary Andrus to write you the answer to your questions. We don't want to have them unanswered.

SUMMARY

But I'd like to take this last 6 or 7 minutes that we have left and go around the table and ask you to be very brief and just give me one or two sentences to sum up a point that you'd like to make.

I'll start down at the end with Norman Kilpatrick.

MR. KILPATRICK. Mr. President, 2 years ago the head of the Customs Bureau—then head of Customs Bureau, I hope—wrote President Arnold Miller a letter saying that it was all right to import South African coal to gulf coast and New England utilities, because no low-sulfur coal was available to utilities from United States sources. I hope that your administration will be able to quickly correct that misunderstanding of the coal situation in the Customs Bureau.

THE PRESIDENT. Thank you very much. I think you can rest assured that that will be corrected.

Mr. Reichl, any comment?

MR. REICHL. Very briefly, Mr. President. We have heard a lot of things here today about the impacts of the energy supply and use in this country. I would like to submit that the greatest potential impact, social impact related to energy, is not having it. And I would hope that your policy will secure us against that opportunity.

THE PRESIDENT. Thank you very much.

Mr. Hamner?

MR. HAMNER. Mr. President, in this century, for 50 years, the coal supply was greater than the coal demand. And for 50 years West Virginia suffered. I hope that our energy policy causes the demand for coal to grow more rapidly than the supply of coal.

THE PRESIDENT. Thank you very much. Doug?

MR. COSTLE. Mr. President, I think I've relearned here today what I knew when I left the State of Connecticut, having been commissioner of environmental protection there. And that is, EPA in Washington is in many ways quite out of touch with what's going on outside of Washington.

THE PRESIDENT. That makes our meeting worthwhile.

MR. COSTLE. I intend to do something about that.

THE PRESIDENT. Thank you very much. Carole Ferrell?

MS. FERRELL. I think the future economic situation of the country is going to be determined by our energy policies. And in your new Federal energy agency, I would like to see blacks and women from policymaking positions being hired on down, so that we can have the input into what's going on.

THE PRESIDENT. Thank you very much. Jack Lloyd?

MR. LLOYD. Mr. President, we have discussed a matter that I think is the most critical matter facing this country today. I want to tell you my company and the electrical utility industry will recognize that responsibility in trying to meet the country's energy needs, and we'll cooperate with you and your Cabinet in any way or matter to get this done.

THE PRESIDENT. Thank you for that. Ed Smith?

MR. SMITH. I just hope all my buddies will buckle down and will mine more coal.

THE PRESIDENT. Thank you. That's a good hope.

GOVERNOR ROCKEFELLER. Mr. President, my hope would be that we could find ways to increase the productivity of mines and miners through all those various ways that we will have to if we're go-

ing to increase our capacity to use coal in this country.

I'm grateful for the leadership that you have given to the whole cause of energy. And I wish you well in the passage of the energy reorganization bill.

THE PRESIDENT. Thank you.

Mr. McManus?

MR. McMANUS. Mr. President, thanks again for coming to West Virginia. I appreciate the opportunity to be on the panel.

And I would only say that by virtue of this meeting and similar meetings which I'm sure you'll have in Washington and maybe elsewhere, that Dr. Schlesinger will be able to expend his personal energies in a way that will be beneficial to solving the total energy package by maximizing the use of coal, as has been indicated here today.

THE PRESIDENT. Thank you very much. Arnold Miller?

MR. MILLER. Mr. President, thank you for getting us started, because I think we're going in the right direction now. We're talking, and that's the greatest thing to get over sometimes, is to get people together with divergent views and talk. And while I remained silent for the most part of today, I learned more by listening.

THE PRESIDENT. Well, I learned a lot by listening. Thank you.

Ed Light?

MR. LIGHT. Mr. President, I'd like to stress here, if you don't act in a matter of a few weeks to change the previous administration's policy on wilderness protection on their Forest Service land in the Cranberry back country, mining will be imminent and this valuable, unique, natural resource will be lost. You have to act within a matter of a few weeks to stop the U.S. Forest Service from carrying out the previous administration's policy or that area is gone.

THE PRESIDENT. Thank you. The Secretary of Interior said he's familiar with that problem.

SECRETARY ANDRUS. Except Agriculture has the Forest Service, but I know what you're talking about.

THE PRESIDENT. Senator Randolph?

SENATOR RANDOLPH. Mr. President, not only is your reorganization of the Federal structure important—and I commend you for it—but we've tried to do that in the Senate of the United States and in the House, as you know. For example, with Ed here sitting at my right, we have changed the name of our committee from the Public Works Committee to Environment and Public Works Committee. I think this is just an indication, hopefully, of the commitment on Capitol Hill to the quality of life in which we can all join in a common purpose in the future.

Mr. President, West Virginians have not only respect for you, we have great confidence in your ability to do the job.

THE PRESIDENT. Thank you, sir, very much.

Mayor Hutchinson?

MAYOR HUTCHINSON. Mr. President, I think that at all levels of government the greatest challenge is the lack of credibility between the governmental leaders. It's a problem which your administration is attacking head-on, which I think is excellent.

I would like to add, to Doug, when you said that EPA had a lot to learn out in the field, you can add the letters FEA to that.

But, Mr. President, as a followup to this type of thing, if this type of meeting deserves additional attention in the future, if the meeting itself cannot be restructured as it is today, a year from now new lines of communications be opened up between people that are here and direct representatives of your administration—I think if you do nothing more than

that, you've done a great thing for this country.

THE PRESIDENT. Thank you very much, Mayor.

Herbert Jones?

MR. JONES. Mr. President, lest the capital of the world be moved from Washington to the Persian Gulf by this great outflow of capital, I think we need to increase coal production. And the coal industry certainly stands ready to do its share and cooperate any way we can.

THE PRESIDENT. Thank you very much.

Judy?

MS. STEPHENSON. Well, it seems we concluded we need coal, and I'm sure if there's money in it, somebody will find a way to mine it. And I think that in the energy policy we should think very much in terms of something we haven't unfortunately thought of in the past, and that's the ultimate public interest, sometimes versus various things, including private profit.

And I would suggest that with H.R. 2, that the regulations of H.R. 2 be strongly enforced. It adds to the credibility of the Government, plus it will protect us here.

The other thing I'd like to second, what Mayor Hutchinson said, we do need avenues that we know are there and that we can use, and we need to know that they're open for us.

THE PRESIDENT. They are open.

Mr. Secretary?

SECRETARY ANDRUS. Mr. President, I just underscore what Doug Costle said a moment ago. We've learned a lot. I would hope that we'll force ourselves, even in the crunch of time, to come back to West Virginia and other States to listen to what really the people are concerned about. That's why we are here today.

THE PRESIDENT. Absolutely.

Dr. Schlesinger?

MR. SCHLESINGER. Mr. President, the comprehensive energy plan that you will submit in April will require many changes and many sacrifices. It will not be successfully legislated or mandated from Washington, D.C. It will require the support of the entire American people to see to it that the details are, indeed, included and supported throughout the land.

THE PRESIDENT. Thank you.

I would like to close our meeting, I think, on time, by saying that it's not just a West Virginia problem, it's not just a problem for the United States. I'm going to leave here and fly up to New York to make a speech to the United Nations tonight at 7:30. And one of the items that I'll talk about, briefly but very sincerely, is that the energy problem is one of worldwide importance and significance.

Our nations, 150 of us or more, are now seeing an almost complete merging of energy considerations with the economic future of the world and also the political future of the world. And I believe that if everyone of us individual countries can take the proper analysis of the future in energy and deal with it ourselves, then accumulatively we can relieve tensions around the world and give all people a better chance for a good life.

I've noticed here a great concern about environmental quality. And I hope that, as Jennings Randolph reminded me when I got off the plane by giving me this beautiful West Virginia tie, that the phrase "almost heaven" will always apply to West Virginia.

Thank you very much.

NOTE: The President spoke at 12:35 p.m. in the State Conference Center.

UNITED NATIONS

Address Before the General Assembly. March 17, 1977

Thank you, Mr. Secretary General.

Last night I was in Clinton, Massachusetts, at a Town Hall meeting where people of that small town decide their political and economic future.

Tonight I speak to a similar meeting where people representing nations all over the world come here to decide their political and economic future.

I am proud to be with you tonight in this house where the shared hopes of the world can find a voice. I have come here to express my own support and the continuing support of my country for the ideals of the United Nations.

We are proud that for the 32 years since its creation, the United Nations has met on American soil. And we share with you the commitments of freedom, self-government, human dignity, mutual toleration, and the peaceful resolution of disputes—which the founding principles

of the United Nations and also Secretary General Kurt Waldheim so well represent.

No one nation by itself can build a world which reflects all these fine values. But the United States, my own country, has a reservoir of strength—economic strength, which we are willing to share; military strength, which we hope never to use again; and the strength of ideals, which are determined fully to maintain the backbone of our own foreign policy.

It is now 8 weeks since I became President. I have brought to office a firm commitment to a more open foreign policy. And I believe that the American people expect me to speak frankly about the policies that we intend to pursue, and it is in that spirit that I speak to you tonight about our own hopes for the future.

I see a hopeful world, a world dominated by increasing demands for basic freedoms, for fundamental rights, for higher standards of human existence. We are eager to take part in the shaping of that world.

But in seeking such a better world, we are not blind to the reality of disagreement, nor to the persisting dangers that confront us all. Every headline reminds us of bitter divisions, of national hostilities, of territorial conflicts, of ideological competition.

In the Middle East, peace is a quarter of a century overdue. A gathering racial conflict threatens southern Africa; new tensions are rising in the Horn of Africa. Disputes in the eastern Mediterranean remain to be resolved.

Perhaps even more ominous is the staggering arms race. The Soviet Union and the United States have accumulated thousands of nuclear weapons. Our two nations now have five times more missile warheads today than we had just 8 years ago. But we are not five times more secure. On the contrary, the arms race has only increased the risk of conflict.

We can only improve this world if we are realistic about its complexities. The disagreements that we face are deeply rooted, and they often raise difficult philosophical as well as territorial issues. They will not be solved easily. They will not be solved quickly. The arms race is now embedded in the very fabric of international affairs and can only be contained with the greatest difficulty. Poverty and inequality are of such monumental scope that it will take decades of deliberate and determined effort even to improve the situation substantially.

I stress these dangers and these difficulties because I want all of us to dedicate ourselves to a prolonged and persistent effort designed first to

maintain peace and to reduce the arms race; second, to build a better and a more cooperative international economic system; and third, to work with potential adversaries as well as our close friends to advance the cause of human rights.

In seeking these goals, I realize that the United States cannot solve the problems of the world. We can sometimes help others resolve their differences, but we cannot do so by imposing our own particular solutions.

In the coming months, there is important work for all of us in advancing international cooperation and economic progress in the cause of peace.

Later this spring, the leaders of several industrial nations of Europe, North America, and Japan will confer at a summit meeting in London on a broad range of issues. We must promote the health of the industrial economies. We must seek to restrain inflation and bring ways of managing our own domestic economies for the benefit of the global economy.

We must move forward with multilateral trade negotiations in Geneva.

The United States will support the efforts of our friends to strengthen the democratic institutions in Europe, and particularly in Portugal and Spain.

We will work closely with our European friends on the forthcoming Review Conference on Security and Cooperation in Europe. We want to make certain that the provisions of the Helsinki agreement are fully implemented and that progress is made to further East-West cooperation.

In the Middle East we are doing our best to clarify areas of disagreement, to surface underlying consensus, and to help to develop mutually acceptable principles that can form a flexible framework for a just and a permanent settlement.

In southern Africa, we will work to help attain majority rule through peaceful means. We believe that such fundamental transformation can be achieved, to the advantage of both the blacks and whites who live in that region of the world. Anything less than that may bring a protracted racial war, with devastating consequences to all.

This week the Government of the United States took action to bring our country into full compliance with United Nations sanctions against the illegal regime in Rhodesia. And I will sign that bill Friday in Washington.

We will put our relations with Latin America on a more constructive footing, recognizing the global character of the region's problems.

We are also working to resolve in amicable negotiations the future of the Panama Canal.

We will continue our efforts to develop further our relationships with the People's Republic of China. We recognize our parallel strategic interests in maintaining stability in Asia, and we will act in the spirit of the Shanghai Communique.

In Southeast Asia and in the Pacific, we will strengthen our association with our traditional friends, and we will seek to improve relations with our former adversaries.

We have a mission now in Vietnam seeking peaceful resolution of the differences that have separated us for so long.

Throughout the world, we are ready to normalize our relationships and to seek reconciliation with all states which are ready to work with us in promoting global progress and global peace.

Above all, the search for peace requires a much more deliberate effort to contain the global arms race. Let me speak in this context, first, of the U.S.-Soviet Union relationship, and then of the wider need to contain the proliferation of arms throughout the global community.

I intend to pursue the strategic arms limitation talks between the United States and the Soviet Union with determination and with energy.

Our Secretary of State will visit Moscow in just a few days.

SALT is extraordinarily complicated. But the basic fact is that while negotiations remain deadlocked, the arms race goes on; the security of both countries and the entire world is threatened.

My preference would be for strict controls or even a freeze on new types and new generations of weaponry and with a deep reduction in the strategic arms of both sides. Such a major step towards not only arms limitation but arms reduction would be welcomed by mankind as a giant step towards peace.

Alternatively, and perhaps much more easily, we could conclude a limited agreement based on those elements of the Vladivostok accord on which we can find complete consensus, and set aside for prompt consideration and subsequent negotiations the more contentious issues and also the deeper reductions in nuclear weapons which I favor.

We will also explore the possibility of a total cessation of nuclear testing. While our ultimate goal is for all nuclear powers to end testing, we do not regard this as a prerequisite for the suspension of tests by the two principal nuclear powers, the Soviet Union and the United States.

We should, however, also pursue a broad, permanent multilateral agreement on this issue.

We will also seek to establish Soviet willingness to reach agreement with us on mutual military restraint in the Indian Ocean, as well as on such matters as arms exports to the troubled areas of the world.

In proposing such accommodations I remain fully aware that American-Soviet relations will continue to be highly competitive—but I believe that our competition must be balanced by cooperation in preserving peace, and thus our mutual survival.

I will seek such cooperation with the Soviet Union—earnestly, constantly, and sincerely.

However, the effort to contain the arms race is not a matter just for the United States and Soviet Union alone. There must be a wider effort to reduce the flow of weapons to all the troubled spots of this globe.

Accordingly, we will try to reach broader agreements among producer and consumer nations to limit the export of conventional arms, and we, ourselves, will take the initiative on our own because the United States has become one of the major arms suppliers of the world.

We are deeply committed to halting the proliferation of nuclear weapons. And we will undertake a new effort to reach multilateral agreements designed to provide legitimate supplies of nuclear fuels for the production of energy, while controlling the poisonous and dangerous atomic wastes.

Working with other nations represented here, we hope to advance the cause of peace. We will make a strong and a positive contribution at the upcoming Special Session on Disarmament which I understand will commence next year.

But the search for peace also means the search for justice. One of the greatest challenges before us as a nation, and therefore one of our greatest opportunities, is to participate in molding a global economic system which will bring greater prosperity to all the people of all countries.

I come from a part of the United States which is largely agrarian and which for many years did not have the advantages of adequate transportation or capital or management skills or education which were available in the industrial States of our country.

So, I can sympathize with the leaders of the developing nations, and I want them to know that we will do our part.

To this end, the United States will be advancing proposals aimed at meeting the basic human needs of the developing world and helping them to increase their productive capacity. I have asked Congress to provide \$7½ billion of foreign assistance in the coming year, and I will

work to ensure sustained American assistance as the process of global economic development continues. I am also urging the Congress of our country to increase our contributions to the United Nations Development Program and meet in full our pledges to multilateral lending institutions, especially the International Development Association of the World Bank.

We remain committed to an open international trading system, one which does not ignore domestic concerns in the United States. We have extended duty-free treatment to many products from the developing countries. In the multilateral trade agreements in Geneva we have offered substantial trade concessions on the goods of primary interest to developing countries. And in accordance with the Tokyo Declaration, we are also examining ways to provide additional consideration for the special needs of developing countries.

The United States is willing to consider, with a positive and open attitude, the negotiation on agreements to stabilize commodity prices, including the establishment of a common funding arrangement for financing buffer stocks where they are a part of individual negotiated agreements.

I also believe that the developing countries must acquire fuller participation in the global economic decisionmaking process. Some progress has already been made in this regard by expanding participation of developing countries in the International Monetary Fund.

We must use our collective natural resources wisely and constructively. We've not always done so. Today our oceans are being plundered and defiled. With a renewed spirit of cooperation and hope, we join in the Conference of the Law of the Sea in order to correct past mistakes of generations gone by and to ensure that all nations can share the bounties of the eternal oceans in the future.

We must also recognize that the world is facing serious shortages of energy. This is truly a global problem. For our part, we are determined to reduce waste and to work with others toward a fair and proper sharing of the benefits and costs of energy resources.

The search for peace and justice also means respect for human dignity. All the signatories of the U.N. Charter have pledged themselves to observe and to respect basic human rights. Thus, no member of the United Nations can claim that mistreatment of its citizens is solely its own business. Equally, no member can avoid its responsibilities to review and to speak when torture or unwarranted deprivation occurs in any part of the world.

The basic thrust of human affairs points toward a more universal demand for fundamental human rights. The United States has a historical birthright to be associated with this process.

We in the United States accept this responsibility in the fullest and the most constructive sense. Ours is a commitment, and not just a political posture. I know perhaps as well as anyone that our own ideals in the area of human rights have not always been attained in the United States, but the American people have an abiding commitment to the full realization of these ideals. And we are determined, therefore, to deal with our deficiencies quickly and openly. We have nothing to conceal.

To demonstrate this commitment, I will seek congressional approval and sign the U.N. covenants on economic, social, and cultural rights, and the covenants on civil and political rights. And I will work closely with our own Congress in seeking to support the ratification not only of these two instruments but the United Nations Genocide Convention and the Treaty for the Elimination of All Forms of Racial Discrimination, as well. I have just removed all restrictions on American travel abroad, and we are moving now to liberalize almost completely travel opportunities to America.

The United Nations is a global forum dedicated to the peace and well-being of every individual—no matter how weak, no matter how poor. But we have allowed its human rights machinery to be ignored and sometimes politicized. There is much that can be done to strengthen it.

The Human Rights Commission should be prepared to meet more often. And all nations should be prepared to offer its fullest cooperation to the Human Rights Commission, to welcome its investigations, to work with its officials, and to act on its reports.

I would like to see the entire United Nations Human Rights Division moved back here to the central headquarters, where its activities will be in the forefront of our attention and where the attention of the press corps can stimulate us to deal honestly with this sensitive issue. The proposal made 12 years ago by the Government of Costa Rica, to establish a U.N. High Commission[er] for Human Rights, also deserves our renewed attention and our support.

Strengthened international machinery will help us to close the gap between promise and performance in protecting human rights. When gross or widespread violation takes place—contrary to international commitments—it is of concern to all. The solemn commitments of the United Nations Charter, of the United Nations Universal Declaration for Human

Rights, of the Helsinki Accords, and of many other international instruments must be taken just as seriously as commercial or security agreements.

This issue is important in itself. It should not block progress on other important matters affecting the security and well-being of our people and of world peace. It is obvious that the reduction of tension, the control of nuclear arms, the achievement of harmony in the troubled areas of the world, and the provision of food, good health, and education will independently contribute to advancing the human condition.

In our relationships with other countries, these mutual concerns will be reflected in our political, our cultural, and our economic attitudes.

These then are our basic priorities as we work with other members to strengthen and to improve the United Nations.

First, we will strive for peace in the troubled areas of the world; second, we will aggressively seek to control the weaponry of war; third, we will promote a new system of international economic progress and cooperation; and fourth, we will be steadfast in our dedication to the dignity and well-being of people throughout the world.

I believe that this is a foreign policy that is consistent with my own Nation's historic values and commitments. And I believe that it is a foreign policy that is consonant with the ideals of the United Nations.

Thank you very much.

NOTE: The President spoke at 7:35 p.m. in the General Assembly Hall. He was introduced by United Nations Secretary General Kurt Waldheim. Following his address, the President attended a reception in the North Lounge, hosted by Secretary General Waldheim.

Earlier in the evening, the President had dinner with Secretary of State Cyrus Vance and U.S. Representative to the United Nations Andrew J. Young.

Rhodesian Chrome Bill

Remarks on Signing H.R. 1746 Into Law. March 18, 1977

Somebody said it's such a short bill that was passed. But it took so long to get it done.

I'm very grateful this morning to have a chance to sign House Resolution 1746, which gives me the authority to reestab-

lish the embargo against the purchase of chrome from Rhodesia.

This legislation probably has as high a symbolic importance in international affairs as anything that I will do this year. It's something that I sign with gratitude and appreciation on the one hand, and regret on the other—gratitude and appreciation because the Congress and I have demonstrated vividly that we are deeply

concerned about our own abandonment of a unanimous decision made by the United Nations in which our country participated, in effect, on its word of honor, and then later because of pressing circumstances revoked.

I think it puts us on the side of what's right and proper. I believe that this resolution can lead to help in resolving the southern African questions, particularly relating to Rhodesia.

The regret is that we've not been able to work harmoniously with a legitimate government in Rhodesia/Zimbabwe. As you know, there is an illegal government there. They have not been willing yet to come forward and negotiate effectively between the white and black citizens of Rhodesia, and this is something that all of us regret.

Our country is playing a strong but secondary role in the Rhodesian question. Britain legally still has dominion over this territory. They are the top persons who have participated in trying to bring the disputing parties together. We've negotiated constantly with them, and I think we will continue to play this secondary but important and supportive role.

The only nation, I believe, that recognizes the Smith government is South Africa, and we've been working closely with them. This puts us back on the side of support for the United Nations. It puts us in the strategic position to help with the resolution of the Rhodesian question. And the attendance here of the labor leaders, for instance, who are involved in the steel industry, is indicative of the fact that we do have adequate supplies of chrome on hand or in shipment to tide us over in this period that is immediately ahead of us.

I am also instructing that the embargo be reinstituted, permitting shipments that are en route to come into our country. And, of course, under the congressional decision that was made this week, I would have the authority to reopen purchases of Rhodesian chrome in the future if it becomes appropriate.

So, it is with a great deal of gratitude to the Congress and to others who have helped make this decision that I sign this very important legislation.

[At this point, the President signed the bill into law.]

I want to thank again the Members of the Congress who were so effective in finally passing this bill. It was a matter of great interest last night when I visited the United Nations. Many of the delegates to the U.N. who came by to speak to me in the receiving line expressed their deep appreciation for this move.

I think it is going to help us not only in the South African question, the Rhodesian question, the Namibian question, but also throughout the world.

Thank you very much, again.

NOTE: The President spoke at 10:08 a.m. at the signing ceremony in the Cabinet Room at the White House.

As enacted, H.R. 1746 is Public Law 95-12, approved March 18.

Rhodesian Chrome Bill

Statement on Signing the Bill Into Law. March 18, 1977

I have today signed H.R. 1746, which restores Executive authority to enforce sanctions against Rhodesian chrome.

This measure is a central element in our African policy. Members of my ad-

ministration have supported it with one voice. With it, we are bringing the United States back in line with the decisions of the Security Council and with our obligations under the United Nations Charter.

H.R. 1746 effectively reinstates an embargo against the importation of Rhodesian chrome and other minerals, as well as any steel mill product containing Rhodesian chromium. As a matter of equity, however, I am issuing an Executive order [11978] which authorizes the Secretary of the Treasury to exempt shipments now in transit to the United States.

Our country is committed to the concept of rapid transition to majority rule in Rhodesia under nonviolent conditions. I view this measure today as an appropriate and positive step toward that goal. We have consistently stated our belief that a peaceful solution in Rhodesia depends upon negotiations that involve a full spectrum of opinion among its leaders, both black and white. With the enactment of this measure, there can be no mistake about our support for that principle.

I hope that the present Rhodesian authorities, as well as the black African nationalist leaders, will accurately assess the vote of the Congress and this administration's stand on Rhodesia. The solution rests in their hands, not ours. Further delay in negotiations will invite more violence and increase the prospect of outside intervention—an outcome which every person of good will wishes to avoid.

With the cooperation of the Congress, we have taken a step of great importance in our southern African policy. I want to thank the leadership of both Houses for their initiative in bringing about this encouraging development.

NOTE: As enacted, H.R. 1746 is Public Law 95-12, approved March 18.

Trade Involving Southern Rhodesia

Executive Order 11978. March 18, 1977

RELATING TO TRADE AND OTHER TRANSACTIONS INVOLVING SOUTHERN RHODESIA

By virtue of the authority vested in me by Section 5 of the United Nations Participation Act of 1945, as amended (22 U.S.C. 287c), and Section 301 of Title 3 of the United States Code, and as President of the United States of America, Section 4 of Executive Order No. 11419 of July 29, 1968, is hereby amended by adding thereto the following subsection:

“(c) The Secretary of the Treasury may exempt from the provisions of this Order, and Executive Order No. 11322, as amended, any shipment of chromium in any form which is in transit to the United States on March 18, 1977.”.

JIMMY CARTER

The White House,
March 18, 1977.

[Filed with the Office of the Federal Register,
1:51 p.m., March 18, 1977]

NOTE: The Executive order was not issued in the form of a White House press release.

Water Resource Projects

*Letter to Members of Congress.
March 16, 1977*

To Members of Congress

I have heard from many members of Congress about my decision to review water projects and to delete funding for some of them. I want you to know that I am aware of your concerns and I sympathize with them.

It is essential to involve the Congress in developing a coherent water resource policy, which we have not had in the past. Toward this end I will arrange a meeting with Congressional leaders from all relevant committees to meet personally with me in order to establish a dialogue and close cooperation on this issue. In the future, when the time constraints are not as severe as those I faced in preparing revisions to the FY 1978 budget, any project to be recommended for deletion will be discussed with the members of Congress in whose areas those projects are located.

Many of the country's water projects were authorized quite some time ago, when economic conditions and environmental concerns were different. The fact that many of these water resource projects present economic, environmental or safety problems today is no reflection on the Congress, the Corps of Engineers or the Department of Interior, because different criteria were used at the time these projects were initially authorized. Some have asked me to accept, in full, judgments made long ago on these projects and not to re-evaluate them at all in light of present, changed circumstances. But enormous sums of money, as well as major environmental and safety matters, are involved. I cannot meet my commitment to balance the budget unless the Congress and I can cooperate in reducing unnecessary spending. Every ongoing program in the government must be continually examined in the light of the harsh realities of a tight budget.

I approached my decision to delete funding on certain water projects, to review all current projects, and to develop permanent, rational criteria for future projects, out of a commitment to fiscal responsibility, environmental quality and human safety. You may be assured that my decision was not arbitrary and that no arbitrary decisions will be made in the fu-

ture. Projects will be assessed on an individual basis, based upon criteria developed in close consultation with Congress.

The review process which we have begun will be objective, complete and fair. We will be holding hearings on projects which pose severe economic, environmental or safety questions prior to the time that I make my final recommendations to the Congress.

The criteria by which ongoing projects will be judged cannot be as strict as the criteria which will be applied to projects which will be authorized in the future. With ongoing projects we will consider such factors as the degree of project completion, local investments, potential dislocations and other factors.

Of the over 325 ongoing projects of the Corps of Engineers and the Bureau of Reclamation, our initial screening criteria indicate that the vast majority of these projects will be completed as planned. Announcements of the results of this initial screening will be made within the next few days. Exaggerations of the number of projects to be deleted have been caused by the circulation and misunderstanding of various lists which I had never seen and which had no official sanction.

The 19 projects I deleted from the FY 1978 budget posed problems too severe to ignore. Examples of some of these problems illustrate the concerns which lead to my decision:

—One project would be built in an earthquake zone, potentially jeopardizing the lives of thousands of people.

—One project appeared to be in violation of an international treaty, and Canada has repeatedly asked the United States to suspend construction.

—One project would have resulted in a federal investment of \$1.4 million for each individual landowner benefitting

from the project, and only about 60 land-owners would be benefitted.

—Some projects would have inundated large amounts of productive farms and forests without counting these losses as project costs and providing questionable flood control, recreation and other benefits.

—One project would have destroyed significant and heavily used natural recreation areas to create unneeded lakes for flatwater recreation already abundantly provided.

—One project would have widened a waterway at taxpayer expense for the benefit of a very few private companies.

—Several projects would have worsened the water shortages and salinity concentrations in the Colorado River, causing increased problems for downstream users, expensive remedial desalting costs, and jeopardizing our water agreements and treaties with Mexico.

—Several projects had costs exceeding benefits, *even* at their low authorized discount rates and even if questionable benefits were not examined.

In cooperation with Congress I want to insure that our future water resource policies meet the real needs of this nation. I look forward to working with you in that enterprise.

Sincerely,

JIMMY CARTER

NOTE: The text of the letter was made available by the White House Press Office on March 18. It was not issued in the form of a White House press release.

Foreign Assistance Programs

Message to the Congress. March 17, 1977

To the Congress of the United States:

In the years since World War II, the United States has encouraged economic

development throughout the world through a variety of economic assistance programs.

Most of our efforts have succeeded. Some have failed. Now we have the opportunity, as with many of our domestic programs, to learn from our experience, and to improve our policies in the future.

Members of my Administration are now testifying in support of our approach to foreign assistance. I am sending you this message to explain some of the principles behind our program—especially, to outline the lessons we have learned about foreign assistance and the goals we now hope to achieve.

The future of the United States will be affected by the ability of developing nations to overcome poverty, achieve healthy growth and provide more secure lives for their people. We wish to join with other nations in combining our efforts, knowledge, and resources to help poorer countries overcome the problems of hunger, disease, and illiteracy. We are seeking important improvements in our program, some of which reflect changes in emphasis and approach:

—We will ensure that lending agencies attach adequate self-help conditions to their loans so that borrowing nations will make effective use of the funds they receive.

—We will make certain that the Congress is able to exercise its legitimate responsibility to monitor the effectiveness of our aid programs.

—We will encourage other wealthy nations to contribute a greater share to the multilateral aid effort, and we will reduce our own share where it has been too high.

—In close cooperation with the Congress we have made sure that our concessional aid goes to those who need it most; we will continue this approach.

—We are now reforming the policies which have, on occasion, awarded liberal grants and loans to repressive regimes which violate human rights.

—We will root out mismanagement and inefficiency where they exist in our foreign assistance programs in order to guarantee that benefits will always be delivered to those for whom the programs were designed.

—We recognize that salaries and living styles of some employees have been too lavish, and we will insist that the international programs we support do more to control their administrative overhead.

—I will work closely with the Congress to see that our aid efforts are more closely correlated to international economic and political circumstances and talk frankly to American citizens about the economic, political, and security benefits we receive from our foreign assistance programs.

Close cooperation and support from the Congress is essential to the effectiveness of our efforts. In a few areas the program I have submitted requires a significant increase in funding—but I have asked for this only where I am sure that the increase will be worthwhile.

To achieve our goals of helping the people of the world toward economic self-sufficiency, relieving the victims of disasters, investing in a healthy world economy, and supporting the security of friendly nations, I ask your favorable consideration for the following:

—*Multilateral Development Assistance.* International financial institutions such as the World Bank group—in particular the International Development Association—and the Inter-American and Asian Development Banks are major sources of assistance loans to the world's poor nations. These institutions have been highly professional in their work. They help remove political considerations from

development efforts, and they encourage developing countries to pursue sound domestic policies. They enable many donors to pool their efforts—including some of the oil-exporting nations. An initial, modest U.S. contribution to the African Development Bank will provide our encouragement to this promising regional effort.

We are asking \$540 million in supplemental appropriations for fiscal year 1977 to fulfill past pledges to the international financial institutions, and \$2.7 billion in new appropriations for fiscal year 1978. This is an increase (of approximately one-third) for an effort which has proved to be very effective. The largest single expenditure is for U.S. participation in the 5th replenishment of the International Development Association, which makes loans on favorable terms to the world's poorest nations.

The United Nations Development Program, which provides important technical assistance to the developing world, has also proven its effectiveness and worth. We are seeking an appropriation of \$130 million for fiscal year 1978, a 30% increase over last year.

—*Bilateral Development Assistance.* Congress has played a major role in developing our bilateral programs, which provide direct American support for development programs in the poorer countries. Through these programs we have shared our expertise and our resources with other countries. Our bilateral programs are directed at the poorest people in these countries' populations; they emphasize food and nutrition, population and health, education and human resource development, and science and technology, including energy development.

We have certain expectations of the countries which we help. We have no in-

tention of running their governments or their economies, but we expect them to mobilize their own resources in the effort to develop, to ensure that the poor share in the benefits, and to respect basic human rights.

I am asking the Congress to provide \$1.3 billion for the bilateral development assistance program for fiscal year 1978. This is a 20% increase over the amount provided for fiscal year 1977, which I believe is clearly worthwhile.

Last year, the Congress, on its own initiative, appropriated \$5 million to help develop a comprehensive long-term recovery plan for the Sahel region, which had undergone a disastrous drought. As the first major U.S. contribution to this program, I am requesting \$50 million for fiscal year 1978. We will cooperate with other interested nations in making further contributions to the Sahel development effort in the future.

—*The PL-480 Program.* The enormous vitality of U.S. agricultural production permits us to share a portion of our bounty in the form of food aid. Our PL-480 programs should not only help the poorer countries improve the quantity and quality of their nutrition, but also encourage self-help programs that will improve their capacity to feed their people in the future. And these programs let us offer relief from famine and privation in the wake of natural and man-made disasters. In fiscal year 1978, our food aid programs will distribute \$1.4 billion in agricultural commodities.

—*Security Assistance Program.* Only where peace and security are assured can free nations devote their full energies to development. Our security assistance programs are keyed to these goals, and to advancing the security interests of the United States in cooperation with our friends and allies. Nearly two-thirds of the

funds requested for security assistance will be for economic supporting programs. I have increased the amounts proposed by the previous Administration for the Middle East; this will strengthen the economic underpinnings so essential to achievement of our goal of peace and stability in this vital region.

For FY-1978 the major elements of my program on security assistance are:

- Grant military aid—\$284.6 million to eight countries, in most of which we also have U.S. military facilities essential to our global interests. This includes \$224 million in programs plus \$60.6 million in general and administrative costs, most of which will be reimbursed from other sources.

- Grant military education—\$35.7 million to train future military leaders.

- Financing for foreign military sales—\$708 million, which will finance \$2.2 billion in loans to help foreign governments eventually to meet their essential security needs by themselves, instead of depending on U.S. handouts.

- Security supporting assistance—\$1.9 billion to finance programs for countries whose economic condition is a factor in our efforts to assure international security. The two areas where most of these funds will be used—Middle East, and depending on events, Southern Africa—testify to the significance of these programs.

These proposals are fully consistent with my wish to limit budget increases to essentials. My assistance program is part of an effort to combine support of our country's economic interests and security with compassion for the impoverished millions of fellow human beings who share the world with us.

I hope that the economic assistance program now before you will receive your careful, prompt, and sympathetic attention. It represents a vital step toward part-

nership in a peaceful and equitable world order.

JIMMY CARTER

The White House,
March 17, 1977.

NOTE: The text of the message was released on March 18.

Oil Pollution of the Oceans

Message to the Congress. March 17, 1977

To the Congress of the United States:

The recent series of oil tanker accidents in and near American waters is a grave reminder of the risks associated with marine transportation of oil. Though we can never entirely eliminate these risks, we can reduce them. Today I am announcing a diverse but interrelated group of measures designed to do so.

These measures are both international and domestic. Pollution of the oceans by oil is a global problem requiring global solutions. I intend to communicate directly with the leaders of a number of major maritime nations to solicit their support for international action. Oil pollution is also a serious domestic problem requiring prompt and effective action by the federal government to reduce the danger to American lives, the American economy, and American beaches and shorelines, and the steps I am taking will do this.

The following measures are designed to achieve three objectives: First, to reduce oil pollution caused by tanker accidents and by routine operational discharges from all vessels; Second, to improve our ability to deal swiftly and effectively with oil spills when they do occur; and Third, to provide full and dependable compensation to victims of oil pollution damage.

These are the measures I recommend:

- **RATIFICATION** of the International Convention for the Prevention of Pollution from Ships. I am transmitting this far-reaching and comprehensive treaty to the Senate for its advice and consent. This Convention, by imposing segregated ballast requirements for new large oil tankers and placing stringent controls on all oil discharges from ships, represents an important multilateral step toward reducing the risk of marine oil pollution. In the near future, I will submit implementing legislation to the Congress.

- **REFORM** of ship construction and equipment standards. I am instructing the Secretary of Transportation to develop new rules for oil tanker standards within 60 days. These regulations will apply to all oil tankers over 20,000 deadweight tons, U.S. and foreign, which call at American ports. These regulations will include:

- Double bottoms on all new tankers;
- Segregated ballast on all tankers;
- Inert gas systems on all tankers;
- Backup radar systems, including collision avoidance equipment, on all tankers; and
- Improved emergency steering standards for all tankers.

These requirements will be fully effective within five years. Where technological improvements and alternatives can be shown to achieve the same degree of protection against pollution, the rules will allow their use.

Experience has shown that ship construction and equipment standards are effective only if backed by a strong enforcement program. Because the quality of inspections by some nations falls short of U.S. practice, I have instructed the Department of State and the Coast Guard to begin diplomatic efforts to improve the present international system of inspection

and certification. In addition, I recommend the immediate scheduling of a special international conference for late 1977 to consider these construction and inspection measures.

- **IMPROVEMENT** of crew standards and training. I am instructing the Secretary of Transportation to take immediate steps to raise the licensing and qualification standards for American crews.

The international requirements for crew qualifications, which are far from strict, will be dealt with by a major international conference we will participate in next year. I am instructing the Secretary of Transportation to identify additional requirements which should be discussed, and if not included, may be imposed by the United States after 1978 on the crews of all ships calling at American ports.

- **DEVELOPMENT** of Tanker Boarding Program and U.S. Marine Safety Information System. Starting immediately, the Coast Guard will board and examine each foreign flag tanker calling at American ports at least once a year and more often if necessary. This examination will insure that the ship meets all safety and environmental protection regulations. Those ships which fail to do so may be denied access to U.S. ports or, in some cases, denied the right to leave until the deficiencies have been corrected. The information gathered by this boarding program will permit the Coast Guard to identify individual tankers having histories of poor maintenance, accidents, and pollution violations. We will also require that the names of tanker owners, major stockholders, and changes in vessel names be disclosed and included in this Marine Safety Information System.

- **APPROVAL** of Comprehensive Oil Pollution Liability and Compensation Legislation. I am transmitting appropriate legislation to establish a single, national

standard of strict liability for oil spills. This legislation is designed to replace the present fragmented, overlapping systems of federal and state liability laws and compensation funds. It will also create a \$200 million fund to clean up oil spills and compensate victims for oil pollution damages.

- **IMPROVEMENT** of federal ability to respond to oil pollution emergencies. I have directed the appropriate federal agencies, particularly the Coast Guard and the Environmental Protection Agency, in cooperation with state and local governments to improve our ability to contain and minimize the damaging effects of oil spills. The goal is an ability to respond within six hours to a spill of 100,000 tons.

Oil pollution of the oceans is a serious problem that calls for concentrated, energetic, and prompt attention. I believe these measures constitute an effective program to control it. My Administration pledges its best efforts, in cooperation with the international community, the Congress, and the public, to preserve the earth's oceans and their resources.

JIMMY CARTER

The White House,
March 17, 1977.

NOTE: The text of the message was released on March 18.

Office of Science and Technology Policy

*Nomination of Frank Press To Be
Director. March 18, 1977*

The President today announced that he will nominate Frank Press to be Director of the Office of Science and Technology Policy. Press will also serve as the Science and Technology Advisor to the President.

He is currently chairman of the Department of Earth and Planetary Sciences at the Massachusetts Institute of Technology.

Press was born in Brooklyn, N.Y., on December 4, 1924. He received a B.S. degree from the College of the City of New York in 1944 and an M.A. (1946) and Ph. D. (1949) from Columbia University.

He served on the faculty in the Geology Department at Columbia University as an instructor from 1949 to 1951, an assistant professor in 1951-52, and an associate professor from 1952 to 1955.

From 1955 to 1965, Press was a professor of geophysics at California Institute of Technology, and from 1957 to 1965 he also served as director of the Seismological Laboratory there. He has served in his present position at M.I.T. since 1965.

Press has served as a consultant to the President's Assistant for Science and Technology since 1964, and from 1956 to 1960, and to the National Aeronautics and Space Administration since 1965, and between 1960 and 1962. He was a member of the National Science Board from 1970 to 1976.

He has also been a consultant to the U.S. Navy, the U.S. Geological Survey, the U.S. Department of State, the U.S. Department of Defense, the Agency for International Development, and the U.S. Arms Control and Disarmament Agency.

He is editor of *Physics of the Earth and Planetary Interiors* and a consulting editor of the *International Series in the Earth and Planetary Sciences*. He has had numerous articles published in scientific journals.

Press is a member of the U.S./U.S.S.R. Working Groups in Earthquake Prediction and Marine Geology/Geophysics. He has been chairman of the Committee on Scholarly Communication with the People's Republic of China since 1975.

He served on the U.S. delegation to the Nuclear Test Ban Conferences in Geneva in 1959, 1960, and 1961, and in Moscow in 1963. He served on the President's Science Advisory Committee from 1961 to 1964.

Department of the Treasury

Nomination of Roger C. Altman To Be an Assistant Secretary. March 18, 1977

The President today announced that he will nominate Roger C. Altman to be Assistant Secretary of the Treasury (Capital Markets and Debt Management). Altman is a general partner with Lehman Brothers, Inc., a New York investment banking firm.

Altman was born in Boston, Mass., on April 2, 1945. He received an A.B. degree from Georgetown University in 1967 and an M.B.A. from the University of Chicago Graduate School of Business in 1969.

Altman has worked for Lehman Brothers since 1969 in the area of corporate finance. He also worked on the Carter/Mondale transition staff, working on the Treasury Department transition.

Altman was a member of the Carey Select Commission on New York State Public Authorities in 1974 and 1975. He received the Institutional Investor Award as one of the 10 outstanding investment bankers in the United States in 1975.

He is married and resides in New York City.

Department of the Treasury

Nomination of William J. Beckham, Jr., To Be an Assistant Secretary. March 18, 1977

The President today announced that he will nominate William J. Beckham, Jr., to

be an Assistant Secretary of the Treasury (Administration). Beckham is chief executive assistant and deputy mayor of Detroit.

He was born in Cincinnati, Ohio, on November 7, 1940. He attended Detroit Institute of Technology (1959-60), Wayne State University (1960-62), American University (1962-64), and the University of Maryland (1965-66), taking courses in political science.

Beckham worked as a Capitol Police officer at the U.S. Senate from 1962 to 1964. In 1964 he went to work for Senator Philip Hart's campaign in Detroit as a campaign assistant. In January 1965, he joined Senator Hart's staff in Washington as an aide responsible for correspondence to constituents.

From 1966 to 1970, Beckham served as an administrative aide in Senator Hart's Detroit office, where he was responsible for managing the office and establishing an additional office in Grand Rapids.

Beckham served as staff assistant in Senator Hart's Washington office from 1971 to 1973, responsible for monitoring and reviewing legislative and agency actions in the areas of labor, education, housing, and hunger and malnutrition, and for coordinating the activities of the Michigan offices.

From January 1973 to November 1973, Beckham served as director of the Equal Opportunities Subcommittee of the House Education and Labor Subcommittee.

In November 1973, he joined Detroit mayor-elect Coleman Young's transition staff as director, and in January 1974 he became chief executive assistant and deputy mayor of Detroit.

Beckham is married and resides in Detroit.

National Highway Traffic Safety Administration

Nomination of Joan B. Claybrook To Be Administrator. March 18, 1977

The President today announced that he will nominate Joan B. Claybrook to be Administrator of the National Highway Traffic Safety Administration. Ms. Claybrook is an attorney with Public Citizen in Washington, D.C.

Ms. Claybrook was born in Baltimore, Md., on June 12, 1937. She received a B.A. degree in history from Goucher College in 1959 and a J.D. degree from Georgetown Law Center in 1973.

From 1959 to 1965, she was a research analyst for the Social Security Administration in Woodlawn, Md. In 1965 and 1966, she worked for Representative James A. McKay and Senator Walter Mondale on an American Political Science Association fellowship in congressional relations.

Ms. Claybrook served as special assistant to the Administrator of the National Highway Traffic Safety Association from 1966 to 1970. She did research for the Public Interest Research Group from 1970 until 1973, when she joined the staff of Public Citizen.

Ms. Claybrook resides in Baltimore, Md.

Department of Agriculture and Commodity Credit Corporation

Nomination of M. Rupert Cutler To Be an Assistant Secretary of Agriculture and a Member of the Board of Directors of the Corporation. March 18, 1977

The President today announced that he will nominate M. Rupert Cutler to be

Assistant Secretary of Agriculture (Conservation, Research and Education) and a member of the Board of Directors of the Commodity Credit Corporation. Cutler is an assistant professor and extension specialist in resource development at Michigan State University.

Cutler was born in Plymouth, Mich., on October 28, 1933. He received a B.S. degree in 1955 from the University of Michigan. He received an M.S. (1971) and a Ph. D. (1972) in resource development from Michigan State University.

From 1955 to 1956, Cutler was a consumer publications writer for Argus Cameras. In 1956 and 1957, he served as editor of the Winslow Mail, in Winslow, Ariz. He was executive secretary of Wildlife Conservation, Inc., from 1957 to 1958, and from 1958 to 1962 he served as chief of the education division for the Commission of Game and Inland Fisheries in Richmond, Va.

Cutler served as assistant chief of the conservation education division of the National Wildlife Federation from 1962 to 1964 and as managing editor of National Wildlife Magazine from 1964 to 1965. From 1965 to 1969, he was assistant executive director of the Wilderness Society. He then entered Michigan State to obtain his master's and doctorate degrees and joined the faculty there in 1973.

Cutler has been active in State and national wildlife and resource development organizations, and in 1976 was appointed by Governor William Milliken to the Michigan Environmental Review Board, which approves State environmental impact statements.

He is married and has three children. He resides in Lansing, Mich.

United States Ambassador to Italy

Remarks at the Swearing In of Richard Gardner. March 18, 1977

THE PRESIDENT. Hello, everybody. It's nice to have you here for a very important occasion. We have known each other for a long time, Richard Gardner and I and his wife, Danielle.

During the 2 or 3 years that I was preparing to take over as President, I had a few very close and constant advisers, and Richard Gardner was one of them. He helped me in the preparation of some of the major speeches that I made to the United Nations on nuclear proliferation and in analyzing foreign affairs. And I was quite delighted when Cy Vance came shortly after the inauguration to say, "We need very urgently to have an outstanding Ambassador to Italy, and I have a recommendation to make to you," and I was particularly delighted when he said, "It's Richard Gardner."

So, we had had a very common approach to the importance of our friendship with Italy—a need to appoint a superb person to serve there. And also we have an added bonus in that Danielle will fit in very well with the Italian community, being part of it, and I think this is a standard of diplomatic appointments that I doubt that I can continue to equal no matter how hard I try.

We have a very important friendship with Italy. They are our staunch friend and allies. And I believe that this will do justice to them, and I know that Richard Gardner and Danielle will make our country proud of their service as Ambassadors to Italy.

I would like to ask now Judge Higginbotham to give the oath, and I know that all our people in this country are thankful

to Dr. Gardner for being willing to go to Italy, and I know the Italian people will be as pleased as I am that he will be there.

[At this point, Judge A. Leon Higginbotham, Jr., of the United States District Court for the Eastern District of Pennsylvania, administered the oath of office.]

AMBASSADOR GARDNER. Mr. President, my family and I are deeply honored by your presence, by the presence of Mrs. Carter, by your gracious words and by the high honor that you've bestowed upon us.

Thirty-nine years ago, because of Italian fascism, Bruno Luzzatto, my dear father-in-law, who's with us today, took his family out of Italy and to the United States. Because of that I met Danielle and came to know the great people of Italy.

I even learned, Mr. President, to speak Italian with a Venetian accent. And I learned an old Venetian saying which goes—and Danielle, correct me if I don't have it quite right—*Prime di parlare, taci*, and I think a rough translation of that, a polite translation of that is, "Before you speak, be quiet."

Sir, I will try to carry out that wise dictum as your Ambassador to Italy.

Mr. President, last night at the United Nations you emphasized the goals and values of the United States—disarmament and peace, economic justice within and between nations, and human rights and democratic processes. These are precisely the great values which the American people and the Italian people together share, and that's why the friendship of the two countries is truly unbreakable.

We are deeply honored by your confidence in us. We will do our best to be worthy of it. Thank you, sir.

NOTE: The President spoke at 1:35 p.m. in the Cabinet Room at the White House.

Digest of Other White House Announcements

The following listing includes the President's daily schedule and other items of general interest as announced by the White House Press Office during the period covered by this issue. Events and announcements printed elsewhere in the issue are not included.

March 12

The President met at the White House with Zbigniew Brzezinski, Assistant to the President for National Security Affairs.

March 14

The President met at the White House with:

- Dr. Brzezinski;
- senior White House staff members;
- the Cabinet;
- Vice President Walter F. Mondale;
- Chancellor Bruno Kreisky of Austria;
- Foreign Minister Hans-Dietrich Genscher of the Federal Republic of Germany;
- members of the Cabinet and senior White House staff and their spouses, for a briefing on energy by Dr. James R. Schlesinger, Assistant to the President.

The White House announced that Charles L. Schultze, Chairman of the Council of Economic Advisers and personal economic adviser to the President, will no longer serve as Co-chairman of the Economic Planning Group, along with Secretary of the Treasury W. Michael Blumenthal. In making the announcement, Press Secretary Jody Powell said that Dr. Schultze felt that the position might be incompatible with his role as personal economic adviser to the Presi-

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dent and the President agreed. Mr. Powell stated that Dr. Schultze will continue as a member of the Executive Committee of the Economic Planning Group and Secretary Blumenthal will assume the duties of sole Chairman of the Group.

March 15

The President met at the White House with:

- Dr. Brzezinski;
- members of the District of Columbia Committee of the House of Representatives;
- Charles L. Schultze, Chairman of the Council of Economic Advisers;
- Vice President Mondale, Adm. Stansfield Turner, Director of Central Intelligence, and Dr. Brzezinski;
- Senator Russell B. Long of Louisiana to discuss tax and welfare reform, the economic stimulus package, the economic situation, and national energy policy;
- Secretary of Labor F. Ray Marshall and top-level officials of the Department;
- Sol C. Chaikin, president of the International Ladies Garment Workers Union of America, AFL-CIO;
- Georg Leber, Minister of Defense of the Federal Republic of Germany.

The White House announced that Prime Minister Takeo Fukuda of Japan will pay an official visit to Washington on March 21–22.

March 16

The President met at the White House with:

- Dr. Brzezinski;
- Ambassador Fumihiko Togo of Japan;
- Dr. Garret FitzGerald, Foreign Minister of Ireland, John G. Molloy, Ambassador to the United States, and Robert McDonagh, Permanent Sec-

retary of the Ministry for Foreign Affairs, who presented the President with the traditional gift of St. Patrick's Day shamrocks.

March 18

The President met at the White House with:

- Dr. Brzezinski;
- Dr. Henry Viscardi, Jr., Chairman, and Jack F. Smith, Executive Director, White House Conference on Handicapped Individuals;
- Bert Lance, Director of the Office of Management and Budget;
- James Roosevelt;
- Vice President Mondale, Admiral Turner, and Dr. Brzezinski;
- Robert S. Strauss, the President's nominee as Special Representative for Trade Negotiations;
- Secretary of State Cyrus Vance and former Gov. and Mrs. William W. Scranton.

The White House announced that the President has transmitted to the Congress the following reports: the 10th annual report on the operation of the Automotive Products Trade Act of 1965, relating to developments under that act during 1975, and the second annual report on Title VI of the Housing Community Development Act of 1974, dealing with mobile home standards.

The White House announced that Adolfo Suarez Gonzalez, President of Government of Spain, has accepted an invitation by the President to meet with him in Washington on April 29.

**NOMINATIONS SUBMITTED
TO THE SENATE**

The following list does not include promotions of members of the Uniformed Services, nominations to the Service Academies, or nominations of Foreign Service officers.

Administration of Jimmy Carter, 1977

NOMINATIONS—Continued

Submitted March 11, 1977

WILLIAM F. MCQUILLEN, of Virginia, to be a member of the Renegotiation Board, vice Norman B. Houston, resigned.

HARRY R. VAN CLEVE, of Virginia, to be a member of the Renegotiation Board, vice Christopher U. Sylvester, resigned.

Submitted March 14, 1977

GALE W. MCGEE, of Wyoming, to be the Permanent Representative of the United States of America to the Organization of American States, with the rank of Ambassador.

PATSY T. MINK, of Hawaii, to be an Assistant Secretary of State for Oceans and International Environmental and Scientific Affairs.

WILLIAM JAMES PERRY, of California, to be Director of Defense Research and Engineering, vice Malcolm R. Currie, resigned.

DANIEL H. BRILL, of Maryland, to be an Assistant Secretary of the Treasury, vice Sidney L. Jones, resigned.

EILEEN SHANAHAN, of the District of Columbia, to be an Assistant Secretary of Health, Education, and Welfare, vice Susan B. Gordon, resigned.

ELSA ALLGOOD PORTER, of Virginia, to be an Assistant Secretary of Commerce, vice Joseph E. Kasputys, resigned.

ERNEST LEROY BOYER, of New York, to be Commissioner of Education, vice Edward Aguirre, resigned.

Submitted March 18, 1977

JOSEPH D. DUFFEY, of the District of Columbia, to be an Assistant Secretary of State.

ROGER C. ALTMAN, of New York, to be an Assistant Secretary of the Treasury, vice Robert A. Gerard, resigned.

WILLIAM J. BECKHAM, JR., of Michigan, to be an Assistant Secretary of the Treasury, vice Warren F. Brecht, resigning.

MALCOLM RUPERT CUTLER, of Michigan to be an Assistant Secretary of Agriculture, vice Robert W. Long, resigned.

MALCOLM RUPERT CUTLER, of Michigan, to be a member of the Board of Directors of the Commodity Credit Corporation (new position).

SIDNEY HARMAN, of New York, to be Under Secretary of Commerce, vice Edward O. Vetter, resigned.

NOMINATIONS—Continued

Submitted March 18—Continued

JOAN BUCKLER CLAYBROOK, of Maryland, to be Administrator of the National Highway Traffic Safety Administration, vice John W. Snow, resigned.

FRANK PRESS, of Massachusetts, to be Director of the Office of Science and Technology Policy, vice H. Guyford Stever, resigned.

The following-named persons to be Associate Judges of the Superior Court of the District of Columbia for terms of 15 years:

GLADYS KESSLER, of the District of Columbia, vice George W. Draper II, deceased.

ROBERT McCANCE SCOTT, of the District of Columbia, vice Richard R. Atkinson, retired.

ROBERT ALAN SHUKER, of the District of Columbia, vice Harry T. Alexander, retired.

ANNICE MCBRYDE WAGNER, of the District of Columbia, vice Theodore R. Newman, Jr., elevated.

PAUL RAINEY WEBBER III, of the District of Columbia, vice Milton D. Korman, term expiring.

**CHECKLIST OF WHITE HOUSE
PRESS RELEASES**

The following releases of the Office of the White House Press Secretary, distributed during the period covered by this issue, are not included in the issue.

Released March 16, 1977

Fact sheet: Government actions the President is considering to deal with the problem of marine oil pollution caused by oil tankers

Released March 17, 1977

Advance text: address to the United Nations General Assembly

Comments and excerpts: from the President's address to the United Nations General Assembly

Released March 18, 1977

Fact sheet: the President's message to Congress recommending actions to reduce maritime oil pollution

Biographical data: the President's nominees for Associate Judges of the Superior Court of the District of Columbia

Administration of Jimmy Carter, 1977

**ACTS APPROVED BY
THE PRESIDENT**

Approved March 10, 1977

H.R. 3347----- Public Law 95-10
An act to rescind certain budget authority recommended in the message of the President of September 22, 1976 (H. Doc. 94-620), transmitted pursuant to the Impoundment Control Act of 1974.

Approved March 15, 1977

S. 776----- Public Law 95-11
An act to dedicate the canal and towpath of the Chesapeake and Ohio Canal National Historical Park to Justice William O. Douglas, and for other purposes.
H.R. 1746----- Public Law 95-12
An act to amend the United Nations Participation Act of 1945 to halt the importation of Rhodesian chrome.

PRESIDENTIAL DOCUMENTS

Week Ending Friday, March 25, 1977

Visit of Prime Minister Takeo Fukuda of Japan

*Remarks of the President and the
Prime Minister at the Welcoming
Ceremony. March 21, 1977*

THE PRESIDENT. I'm going to say just a few words and then give you a chance to do the same.

As an indication of the friendship that we have toward the great nation of Japan, we have arranged this weather for the Prime Minister this morning.

First of all, I would like to express my deep thanks to Prime Minister Fukuda for the hospitality that he showed to Vice President Mondale on his trip to Japan in January.

When I was in Japan less than 2 years ago, Prime Minister Fukuda, who was then Deputy Prime Minister, received me with equal hospitality.

One of the most remarkable and encouraging developments on the international scene has been the constant growth in close relationships, constant consultation, and the sharing of mutual purpose and friendship between Japan and the United States of America during the last 30 or more years.

We have nations with greatly different historical and cultural background and characteristic. But we also have discerned

very clearly the many things which we have in common. We're both powerful and beneficial and peaceful presences in the Pacific region. Japan has become one of the world's great economic powers.

And with a careful sensitivity to world affairs and to the hopes and dreams of mankind, Japan has been able to draw a sharp distinction between economic influence and power on the one hand and non-belligerency, peace, the renouncement of nuclear weapon capability on the other.

In world trade, all the nations of the world recognize the almost preeminent position that has been carved out by the hard work and dedication, the innovation of a Japanese economy.

We have in our own National Capital since 1912 been reminded every springtime about the close relationships that potentially could exist and which now do exist between Japan and our people. The cherry trees are now preparing to blossom forth with beauty and as a reminder of the friendship that binds our two nations together.

Last year on the 200th anniversary of our own Nation's founding, the Japanese people gave a major contribution to the Kennedy Center for arts and culture. And they also gave to the American people 53 bonsai trees, one of which is in the Oval Office today, ranging from 50 or 60 years old to more than 350 years old, which

shows the age and the strength of the Japanese society and also the beauty which has always been characteristic of the arts that exist in the minds and hearts of the Japanese people.

We appreciate this closeness and we look forward to great and increasing relationships with our friends in Japan.

In closing, let me remind the audience that in May, Prime Minister Fukuda and I will go to London to discuss mutual problems and mutual hopes and policies to be established for the future, among the major developed nations of the world, our relationships with one another, our approach to alleviating tensions with potential adversaries, and our policies in dealing with nations that are still developing and which have not enjoyed the bounties of nature as well as we have in our two countries.

But we'll go there in a spirit of cooperation and partnership, as equals, and the discussions between myself and Prime Minister Fukuda, my Cabinet officers and his, today and tomorrow, will ensure that the friendship that we now enjoy will be even more greatly enhanced in the months and years ahead.

So, it's with a spirit of appreciation, confidence, and friendship, that the American people welcome to our Capital City one of the great leaders of one of the greatest nations on Earth—Prime Minister Fukuda of Japan.

Thank you very much for coming.

THE PRIME MINISTER. *Mr. President, Mrs. Carter, distinguished guests:*

Thank you very much for your gracious comments, President Carter, on this White House Lawn, and this beautiful weather with the cherry blossoms in full bloom. I was deeply moved by your gracious words, Mr. President.

I would like to convey to you my deepest thanks on behalf of the Japanese people.

Two years have passed since we first met in Tokyo, President Carter, but we really haven't been out of touch since then. I have seen a great deal of you, your photographs carried widely throughout Japan, on television and in the papers. And I personally followed with great interest your campaign during the Presidential elections. We had a very enjoyable talk on the telephone about 2 months ago. So, I do not feel that it is only the second time that I am meeting you today. I feel as I have known you for many years.

Since taking the office as Prime Minister late last year, I looked forward to the earliest opportunity to exchange views with you, Mr. President, who on January 20 was given the mandate of the American people as their President. And I appreciate very much today's opportunity to have the meeting with you.

Mr. President, the United States is number one as an industrial democracy. A little behind you as number two—ranks Japan. And together, I believe that we could cooperate for the future of mankind.

Three years ago, since we experienced the oil shock, the world economy has faced a very difficult situation.

We also have to grapple with the North-South questions and Indochina, the repercussions since Indochina has given still concern to the Asian nations. I believe that our two countries as major industrial democracies and as specific nations can identify our common responsibilities and what we can do to contribute toward world peace.

Since assuming the Prime Ministership of Japan, I have told our Japanese people that a spirit of cooperation and solidarity should be the principle of citizenship of Japanese. I believe the spirit of coopera-

tion and solidarity also applies to the world scene, where nations together can also abide by such spirit.

I am looking forward to today and tomorrow where we can have meetings with you, Mr. President. I have called my own Cabinet in Japan a "let's work" Cabinet. And I want you to know that I am ready to go to work with you for the next 2 days for what we can accomplish in building an even more effective Japanese-American partnership. Let's work together.

Thank you very much.

THE PRESIDENT. Thank you very much. That's beautiful.

NOTE: The President spoke at 10:40 a.m. on the South Lawn at the White House. The Prime Minister spoke in Japanese, and his remarks were translated by an interpreter.

Pan American Day and Pan American Week, 1977

Proclamation 4491. March 21, 1977

*By the President of the United States
of America*

A Proclamation

The people of the Western Hemisphere share a common past and a common future. As friends and neighbors we have an obligation to help one another, in order to promote our common good and to solve the problems of each nation, and advance our mutual interest in global solutions to problems that confront all of humankind. The organization of American States, the world's oldest regional organization, is one symbol of these shared aspirations.

Since Pan American Day was first proclaimed in 1889, the nations of this hemisphere have undergone dramatic changes internally and in relationship to each

other. The challenge for all of us in the coming year is to find ways to adapt our relationships to take into account these changes. At the same time, we should rededicate ourselves to the ideals of peace, cooperation, and social justice which continue to unite and inspire our peoples.

It is appropriate that we set aside a special period to honor the heritage that unites us, to reaffirm our mutual desire for peace and international harmony, and to dedicate ourselves to shaping a relationship which looks to the future for inspiration.

NOW, THEREFORE, I, JIMMY CARTER, President of the United States of America, do hereby proclaim Thursday, April 14, 1977, as Pan American Day, and the week beginning April 10, 1977, as Pan American Week. I call upon the Governors of the States and the Commonwealth of Puerto Rico, the Mayor of the District of Columbia, and appropriate officials of all other areas subject to the jurisdiction of the United States to issue similar proclamations.

I urge the communications media, educators, individuals, and organizations to join together during this week to celebrate our friendship and to recognize the need for a continuing commitment to peaceful and productive relationships with our neighbors in this Hemisphere as a special part of our effort to forge equitable global frameworks for relations among nations.

IN WITNESS WHEREOF, I have hereunto set my hand this twenty-first day of March, in the year of our Lord nineteen hundred seventy-seven, and of the Independence of the United States of America the two hundred and first.

JIMMY CARTER

[Filed with the Office of the Federal Register,
3:25 p.m., March 21, 1977]

Internal Revenue Service

Nomination of Jerome Kurtz To Be Commissioner. March 21, 1977

The President today announced that he will nominate Jerome Kurtz, of Philadelphia, Pa., to be Commissioner of the Internal Revenue Service. Kurtz is an attorney with the Philadelphia law firm of Wolf, Block, Schorr and Solis-Cohen.

Kurtz was born in Philadelphia on May 19, 1931. He received a B.S. degree from Temple University in 1952 and an LL.B. degree from Harvard Law School, magna cum laude, in 1955.

He joined Wolf, Block, Schorr and Solis-Cohen in 1955. He spent 1956 and 1957 serving in the U.S. Army, and in 1957 he returned to the law firm, where he worked until 1966.

From 1966 to 1968, Kurtz served as tax legislative counsel in the U.S. Treasury Department. In 1968 he returned to Wolf, Block, Schorr and Solis-Cohen.

Kurtz was a lecturer on taxation at Villanova Law School in 1964-65 and at the University of Pennsylvania from 1969 to 1974. He was a visiting professor of law at Harvard Law School in 1975-76.

He was a member of the Advisory Group to the Commissioner of Internal Revenue in 1976. He was chairman of the tax section of the Philadelphia Bar Association in 1975-76 and is a member of the American Law Institute and the Legal Activities Policy Board, Tax Analysts and Advocates.

Kurtz has had numerous articles published on taxation and has testified as an invited panelist before congressional committees.

Department of Housing and Urban Development

Nomination of Donna E. Shalala To Be an Assistant Secretary. March 21, 1977

The President today announced that he will nominate Donna E. Shalala, of New York, N.Y., to be Assistant Secretary of Housing and Urban Development (Policy Development and Research). She is an associate professor and chairwoman of the Program in Politics and Education at Teachers College, Columbia University, in New York City.

Ms. Shalala was born in Cleveland, Ohio, on February 14, 1941. She received an A.B. degree from Western College for Women in 1962 and a Ph. D. from Syracuse University in 1970.

She served as a Peace Corps volunteer in Iran from 1962 to 1964 and as a research assistant and instructor at Syracuse University from 1966 to 1970, while completing her Ph. D. From 1970 to 1972, she was an assistant professor of political science at Baruch College of the City University of New York. She joined the faculty at Teachers College in 1972.

She is director and treasurer of the Municipal Assistance Corporation for the city of New York. She is also vice chairwoman and director of the New York Citizens Union, director of the Regional Plan Association, and director of the National Municipal League.

Ms. Shalala is the author of books and articles on the politics of State and local finance, decentralization, and the politics and financing of education.

She is a member of the editorial board of the Public Administration Review and a director of the Empire State Report. She is also a member of the advisory com-

mittee on school finance of the League of Women Voters Education Fund.

on legal topics and is head of the corporate and securities law department of his law firm.

Department of State

Nomination of Herbert J. Hansell To Be Legal Adviser. March 21, 1977

The President today announced that he will nominate Herbert J. Hansell, of Shaker Heights, Ohio, to be Legal Adviser of the Department of State. Hansell is a partner with the law firm of Jones, Day, Reavis and Pogue in Cleveland, Ohio.

He was born in Pittsburgh, Pa., on November 16, 1925. He received an S.B. degree from Massachusetts Institute of Technology in 1946 and an LL.B. from Yale Law School in 1949. He served with the United States Naval Reserve from 1944 to 1946.

From 1949 to 1951, Hansell was an associate with the New York law firm of Cravath, Swaine and Moore. He was an attorney and then assistant general counsel on the legal staff of the National Science Foundation in Washington between 1951 and 1953.

He has been with Jones, Day, Reavis and Pogue since 1953, first as an associate and, since 1960, as a partner.

Hansell is chairman of the MIT Advisory Committee on Law and Technology and of the Yale University Council Committee on the Law School. He has been president of the Shaker Heights Board of Education, the Legal Aid Society of Cleveland, and the Yale Law School Association.

He has been a trustee of the Cleveland Council on World Affairs, the National Legal Aid and Defender Association, and the Lawyers Committee for Civil Rights under Law. He has written and lectured

Department of Housing and Urban Development

Nomination of Harry K. Schwartz To Be an Assistant Secretary. March 21, 1977

The President today announced that he will nominate Harry K. Schwartz, of Philadelphia, Pa., to be an Assistant Secretary of Housing and Urban Development (Legislative Affairs). Schwartz is a partner in the law firm of Dechert, Price and Rhoads in Philadelphia.

He was born in Philadelphia on April 20, 1934. He received a B.A. degree in government from Harvard College in 1955, summa cum laude. In 1955-56 Schwartz was a Fulbright Scholar at Worcester College of Oxford University. He received an LL.B. degree, magna cum laude, from the University of Pennsylvania in 1959.

Schwartz served as law clerk to Judge George T. Washington of the U.S. Court of Appeals in 1960 and 1961, and as an Assistant United States Attorney in the District of Columbia in 1961 and 1962.

He was an attorney for the U.S. Securities and Exchange Commission in 1962 and 1963, and from 1963 to 1967 he was administrative assistant and legislative assistant to U.S. Senator Joseph S. Clark.

In 1968 Schwartz served as chief counsel to the Senate Subcommittee on Employment, Manpower, and Poverty. In 1969 he joined the firm of Dechert, Price and Rhoads. During the 1976 general election campaign, Schwartz was a national

task force director for the Carter/Mondale campaign.

Schwartz is a member of the board and former counsel of the Philadelphia Urban Coalition. He is vice chairman of Americans for Democratic Action (Southeast Pennsylvania) and former president of Central Philadelphia Reform Democrats.

Department of the Navy

Nomination of David E. Mann To Be an Assistant Secretary. March 21, 1977

The President today announced that he will nominate David E. Mann, of Bethesda, Md., to be Assistant Secretary of the Navy (Research and Development). Mann has been Special Assistant to the Chief of Naval Operations for Navy Advanced Systems Projects since 1973.

He was born in New York City on November 4, 1924. He received a B.S. in 1944 from the City University of New York and an M.S. and Ph. D. in chemistry from the University of Chicago. He did postdoctoral research at the University of Minnesota and Harvard University.

From 1951 to 1966, Mann served as a physicist and Chief of the Molecular Spectroscopy section at the National Bureau of Standards. In 1957-58 he received Guggenheim and Fulbright fellowships for study abroad.

He joined the Department of Defense Advanced Research Projects Agency in 1966 and in 1967 became Deputy Director of the Ballistics Missile Defense Office there. In 1968 he became the first Director of the new Strategic Technology Office.

Mann joined the Department of the Navy as Special Assistant to the Chief of Naval Operations for Navy Advanced Systems Projects in 1973. In 1974 he was

awarded the Meritorious Civilian Service Medal by the Secretary of Defense.

Visit of Prime Minister Fukuda of Japan

Toasts of the President and the Prime Minister at a Working Dinner for the Prime Minister. March 21, 1977

THE PRESIDENT. First of all, I want to say how delighted I am to have all of you guests in the White House. If any of you missed seeing the beautiful bonsai trees in the Blue Room, I hope that you'll go by and take a look at them before you leave. This was a gift of the Japanese people last year on our 200th birthday. And it's one of the most delightful and enduring gifts that could be exchanged between two great peoples.

We have also asked that they bring some Japanese cherries in tonight for our decorations in the corners. And I think these exchanges of flowers and beauty are a great credit to the Japanese and also very enjoyable for our own people.

We have been greatly honored by the distinguished visitors from Japan coming to see us. Prime Minister Fukuda is an old friend of mine. I was privileged to go to Japan a couple of years ago. And while I was there, as an ex-Governor and an unknown candidate, he was gracious enough to meet with me and to talk to me about the economic structure and the political structure of Japan and the relationship between our country and theirs.

He has proven a modern adage which I'm sure will pass in the history in the not too distant future. He comes from a peanut farm, and as a young man he helped to grow peanuts. So did I. And I think that at least the present truth is that the best way to become the leader of a country

is to grow peanuts as a child. [*Laughter*]

We have in Plains now, as you probably know, in my first cousin's antique store and in the depot on the corner, we have a lot of peanuts that are sold as souvenirs—little, small, beautiful peanuts that are bronzed and have silver and gold on them. I'm sure most of them came from Japan. [*Laughter*]

Prime Minister Fukuda is a great leader. He was in the Department of Finance in 1929. He knows the Japanese Government and the Japanese people from firsthand experience. He's been honored by his own citizens with the highest office than can be acquired by an elected official. And he's a man who's set a standard in international diplomacy, a search for peace, proper economic management, a knowledge of internal and external politics, that's an example for us all.

His basic foreign policy philosophy can be expressed, as he has said; that's the "duck" diplomacy—everything is very calm on top, but paddling like mad underneath. [*Laughter*]

This has been very successful for Japan. And I think you all know, as I said in my welcoming remarks, that Japan has now become one of the foremost nations of the world—an intimate friend of ours and destined for even more greatness in the future. I hope that in the United Nations, which will be strengthened in the years to come, that Japan might join us as permanent members of the Security Council. We would like to have you with us because you and your great country deserve this honor.

There are some differences between our Nation and that of Japan. Theirs is very ancient; ours is quite new. Theirs is a relatively homogeneous society where people can communicate almost without speaking, because they understand each other and they think alike. Ours is a nation of

immigrants, highly heterogeneous, searching for a way to accommodate one another, quite often speaking even different languages. Our Nation has been blessed with abundant natural resources, plenty of energy; theirs is dependent on energy imports to an extraordinarily high degree.

But there are more things that are similar and of much more significance. Japan is a nation that believes in democracy, in the right of individual people to hear the truth, to have open debate; a country where people can express themselves without constraint, with a free press; a country that since the Second World War has been completely dedicated to peace, has renounced the ability with their enormous economic strength to seek for military preeminence. They've renounced the use of atomic power for anything other than peaceful means. And these are the kinds of commitments in Japan which bind us to them.

It's a nation that, like our own, has seen the advantages of the free enterprise system. It's a nation that has a great past heritage and a great future in the Pacific region. And we consider ourselves the other side of the Pacific influence, all designed for the furtherance of peaceful lives for those who live around this great body of water.

The last point I'd like to make is this: We have tied ourselves together in the most close and intimate possible position. In more ways than I can describe in a brief presentation, we are truly partners in the finest sense of the word.

We have pledged to the Japanese leaders here, that whatever our future goals might be, our future posture in the Pacific—in fact, throughout the world—that we will let them know what our plans are; we will consult with them and never again bypass the tremendous, sound judgment of

the Japanese before we make a decision that's of import to our own people.

So, exchange of ideas and common trust and a mutual desire for friendship, democracy, the free enterprise system, and a powerful and benevolent impact on the rest of the world—these things we have in common.

I would like to propose a toast now to the Prime Minister and the people of Japan: May their life ahead be as long as it has been in the past, and blessed with permanent peace.

To the Prime Minister.

THE PRIME MINISTER. *Mr. President, distinguished guests:*

This is my first visit as Prime Minister to Washington. In Japan, the cherry blossoms do not bloom until April. But here in Washington, you were gracious enough to have the cherry blossoms in full bloom for my visit here. And I would like to thank all of you here for your gracious welcome, too.

When I did meet you, this was the year before last, in Tokyo. Since then, you ran for the Presidency. Your photograph was on television and in the papers every day in Japan.

Last year, you sent your friend from Georgia, Mr. John Pope, and he had a letter from you to me, and in that letter you said that the next time we might meet in an official capacity. This, I think, reflected your confidence. You were very confident that you would win your election. You did truly win the mandate of the American people, and I am really happy from the bottom of my heart. And so, although this is the second time that I have seen you, I feel as if I have known you for a long time.

The United States for Japan is a most important ally. About 110 years ago, you opened our doors to modern civilization as such. And just excluding a very short,

tragic period, we have enjoyed the closest of friendship between our two countries.

When I look at the world situation, I am quite concerned about the present state of the world economy, which I may describe as being rather chaotic. I'm concerned that this might lead to political chaos, and we must do our best in order to save the world economy. For this our two countries must consult closely and take the lead in the world towards solving this problem.

And at the same time, when I do look at this question, we must realize the fact that we are now in an age of limited energy resources. And in the background of this age of limited energy resources, I feel it is more difficult to secure the peace and prosperity of the world. We are faced with new challenges and more difficulties.

And so, the cooperation between our two countries is even more required in this present age. So, facing today's difficulties and the difficulties of tomorrow, I hope that we can meet it with a spirit of peanuts, if I may say that. [*Laughter*]

The peanut that I am describing there are two fruits inside—one is the United States and one is Japan, and the shell that surrounds this peanut is individual liberty and human rights.

I'd like to propose a toast to President Carter and also to the people of the United States of America.

NOTE: The President spoke at 8:40 p.m. in the State Dining Room at the White House. The Prime Minister spoke in Japanese, and his remarks were translated by an interpreter.

Secretary of the Air Force

*Nomination of John Stetson.
March 22, 1977*

The President today announced that he will nominate John Stetson, of Winnetka,

Ill., to be Secretary of the Air Force. Stetson is president of the A. B. Dick Co., in Chicago.

He was born in Chicago on September 6, 1920. He received a B.S. degree in aeronautical engineering from Massachusetts Institute of Technology in 1943.

Stetson was a design engineer for the Douglas Aircraft Co. in 1943 and 1944. In 1944 and 1945, he served as an ensign in the U.S. Navy. In 1945 and 1946, he was a design engineer for Republic Box Co.

From 1946 to 1948, Stetson worked for George T. Schmidt, Inc., as a design and sales engineer. He was sales manager for Foote Brothers Gear & Machine from 1948 to 1951.

From 1951 to 1963, Stetson was a partner in the Chicago consulting firm of Booz, Allen & Hamilton. He served as executive vice president and president of the Newspaper Division of the Houston Post Co. from 1963 until 1970, when he became president of A. B. Dick.

The President also announced that he has approved an exception to the conflict of interest guidelines for Stetson.

Stetson is presently trustee of the John C. Stetson 1968 trust. He has agreed to name an independent trustee to serve in his place while he serves as Secretary of the Air Force.

The portfolio of that trust is well diversified except that 63 percent is represented by ownership of stock in the Mercantile National Bank of Hammond, Ind., and 16 percent is represented by stock in the Lansing Bank of Lansing, Ill.

The President has approved the exception because sale of the stock in these two small banks would be difficult, and because Stetson's disqualifying himself from acting on matters affecting their financial interest would rarely, if ever, affect his duties as Secretary of the Air Force, since

neither bank does any business with the Department of Defense.

Small Business Administration

Nomination of A. Vernon Weaver, Jr., To Be Administrator. March 22, 1977

The President today announced that he will nominate A. Vernon Weaver, Jr., of Little Rock, Ark., to be Administrator of the Small Business Administration. Weaver is president of the Union Life Insurance Co. in Little Rock.

He was born in Miami, Fla., on April 16, 1922. He attended the University of Florida and the University of Miami and graduated from the United States Naval Academy in 1946.

Weaver served 2 years of sea duty in the Navy and then spent 6 months at photogrammetry school and 6 months in the training group at the naval base at Guantanamo Bay, Cuba. He resigned from the Navy in 1949. He was recalled to active duty in 1951 and served 2 years in the Office of Naval Intelligence at the Pentagon.

Following his resignation from the Navy, Weaver worked for two small business concerns in Miami prior to joining Stephens, Inc., a large investment banking firm in Little Rock in 1961.

From 1962 to 1969, he worked at Hollis & Co., a Stephens, Inc., subsidiary, and Union Management Corp., a subsidiary of Union Life Insurance Co. (which is an affiliate of Stephens, Inc.). In 1969 Union Life sold its two mutual funds to Interscience Capital Management Corp., in New York, and Weaver worked there for a year.

In February 1971, he rejoined Union Life Insurance Co. as vice president, and in January 1972 he became president.

Convention on Pollution From Ships

*Message to the Senate Transmitting the
Convention. March 22, 1977*

To the Senate of the United States:

I transmit herewith, for the advice and consent of the Senate, the International Convention for the Prevention of Pollution from Ships, done at London on November 2, 1973, together with Annexes I and II thereof, and two related Protocols. The report of the Department of State is enclosed for the information of the Senate.

The Convention is one of the most important maritime environmental protection measures ever completed. It deals comprehensively with operational discharges from vessels, establishes strict controls over oil discharges, and imposes regulations for discharges of other pollutants. It also creates standards for the construction and design of ships which will carry these hazardous cargoes.

I feel that entry into force of this Convention will be an important step in controlling and preventing pollution from vessel discharges. I recommend that the Senate give early consideration to the Convention and give its advice and consent to ratification.

JIMMY CARTER

The White House,
March 22, 1977.

Armed Forces Day

Proclamation 4492. March 22, 1977

*By the President of the United States
of America*

A Proclamation

Since the founding of the Republic, the Armed Forces of the United States have

served the nation in peace and war with honor and distinction. Those who wear the uniforms of the Army, Navy, Air Force, Marine Corps and Coast Guard have carved out respect for their patriotic service.

It is appropriate that we set aside one day each year to pay tribute to these men and women throughout the world.

Now, THEREFORE, I, JIMMY CARTER, President of the United States and Commander-in-Chief of the Armed Forces of the United States, continuing the precedent of my six immediate predecessors in this Office, do hereby proclaim the third Saturday of each May as Armed Forces Day.

I direct the Secretary of Defense on behalf of the Army, the Navy, the Air Force, and the Marine Corps, and the Secretary of Transportation on behalf of the Coast Guard, to plan for appropriate observances each year, with the Secretary of Defense responsible for soliciting the participation and cooperation of civil authorities and private citizens.

I invite the Governors of the States, the Commonwealth of Puerto Rico, and other areas subject to the jurisdiction of the United States, to provide for the observance of Armed Forces Day within their jurisdiction each year in an appropriate manner designed to increase public understanding and appreciation of the Armed Forces of the United States.

I also invite national and local veterans, civic and other organizations to join in the observance of Armed Forces Day each year.

I call upon my fellow Americans not only to display the flag of the United States at their homes on Armed Forces Day, but also to learn about our System of defense, and about the men and women who sustain it, by attending and participating in the local observances of the day.

Proclamation 4357 of March 25, 1975, is hereby superseded.

IN WITNESS WHEREOF, I have hereunto set my hand this twenty-second day of March, in the year of our Lord nineteen hundred and seventy-seven, and of the Independence of the United States of America the two hundred and first.

JIMMY CARTER

[Filed with the Office of the Federal Register, 4:42 p.m., March 22, 1977]

National Teacher of the Year Award

Remarks of the President and Myrra Lenore Lee at the Presentation Ceremony. March 22, 1977

THE PRESIDENT. Well, one of the most delightful experiences in the life of any person is to have a schoolteacher, at any level of education, who forms a personal relationship with his student that serves as a lifetime inspiration. I've had that experience in my own life, and I know that when it comes time to choose from among the hundreds of thousands of teachers in our country, some one person to exemplify the meaning of a good teacher, it's a very difficult task. And to be chosen the Teacher of the Year in the whole Nation is an extraordinary honor.

I know, though, that from the very beginning of this ceremony, which has been an annual occasion for many years, the teacher chosen has represented all the other teachers of our Nation who quite often don't receive an adequate degree of appreciation expressed to them.

It's with a great deal of pleasure that I, as President, deliver this award to Mrs. Lee of California. Her congressional leaders are very proud of her and those who are associated with her in the teach-

ing profession are very proud of her. I know all the teachers of the Nation are very proud of her. And the President of the United States is proud of you, too.

I'm very grateful to have the honor to present to you the award, and I know that you represent many other teachers who look on you with a great deal of admiration and feel a kinship with you as you serve the students who look to you for guidance in their lives.

Mrs. Lee has served for 10 years as a part-time volunteer teacher and 10 years as a full-time teacher. You must be an extraordinary woman to have received this award. And I'm very honored to have you here.

Would you like to say a few words?

MRS. LEE. Yes, I would.

Thank you very much, President Carter. This is probably the most exciting day of my life, as everyone probably realizes. First I would like to—before I say anything else—I would like to present you with a gift from the people of California.

This is a tray made by the crafts people from Monterey. It's handmade, inlaid with California poppy, representative of the largest State of the Union, and from many people who admire you.

THE PRESIDENT. Thank you very much. I've had the good fortune of having your Governor last night as a guest of ours at the White House.

MRS. LEE. Oh, I didn't know that.

THE PRESIDENT. He met with me and the congressional leaders this morning.

I know that California has an extraordinarily good education system, and I am very grateful to have this beautiful demonstration of handiwork in California, and I'll use it. When I leave, I'll let it be part of the White House furnishings so that future Presidents can also enjoy it.

Thank you very much.

MRS. LEE. Thank you.

THE PRESIDENT. It's a real pleasure. Thank you. I'm proud of you.

NOTE: The President spoke at 2:31 p.m. in the Cabinet Room at the White House.

The National Teacher of the Year Award program was started in 1952 by the U.S. Office of Education in conjunction with the Council of Chief State School Officers and McCall's Magazine. It is currently sponsored by the Council of Chief State School Officers, Encyclopaedia Britannica, and Ladies Home Journal.

As this year's national teacher, Mrs. Lee, who teaches social living, history, and women's studies at Helix High School in La Mesa, Calif., will be appointed, by law, to a 1-year term on the Commission on Presidential Scholars.

United States International Broadcasting

Message to the Congress Transmitting a Report. March 22, 1977

To the Congress of the United States:

In my letters to the Speaker and to the President of the Senate of January 31, I stated that my advisers were reviewing a report on international broadcasting in compliance with Section 403 of the Foreign Relations Authorization Act, Fiscal Year 1977. That review is now finished.

This Administration firmly supports U.S. international broadcasting as part of our commitment to the freer flow of information and ideas. Among the most valuable instruments we have for this purpose are our international radios—the Voice of America (VOA) and Radio Free Europe/Radio Liberty (RFE/RL)—which for many years have been a vital part of the lives of the peoples of Eastern Europe and the Soviet Union. My review of the U.S. international broadcasting effort has led me to the following conclusions, which are reflected in the attached report:

(1) Present U.S. international broadcast transmission facilities are inadequate;

16 additional 250 Kilowatt transmitters for broadcasts to the Soviet Union and Eastern Europe are needed by VOA and RFE/RL and can be installed in a period of three to five years;

(2) There is no significant unused transmitter capacity available for sharing among U.S. broadcasters or between U.S. and other Western broadcasters;

(3) A comprehensive outline of U.S. worldwide broadcasting needs indicates a requirement for 12 additional VOA transmitters for broadcast to Asia and Africa, beyond those required for European broadcasts;

(4) Extending Board for International Broadcasting-type transmissions to other nations where access to information is restricted would be highly impractical for a variety of reasons.

This report is transmitted pursuant to the requirements of P.L. 94-350, and I believe that implementation of its recommendations can assure the United States of effective broadcasting programs in the years ahead.

JIMMY CARTER

The White House,

March 22, 1977.

NOTE: The White House press release also included the text of the report.

Visit of Prime Minister Fukuda of Japan

United States-Japan Joint Communique Issued at the Conclusion of the Prime Minister's Visit. March 22, 1977

President Carter and Prime Minister Fukuda met in Washington March 21 and 22 for a comprehensive and fruitful exchange of views on matters of mutual interest.

They expressed satisfaction that through the meetings, a relationship of

free and candid dialogue and mutual trust was established between the new leaders of the governments of the United States and Japan. They agreed that the two Governments would maintain close contact and consultation on all matters of common concern.

The President and the Prime Minister expressed their determination that the two countries, recognizing their respective responsibilities as industrialized democracies, endeavor to bring about a more peaceful and prosperous international community. To this end, they agreed that it is essential for the industrialized democracies to develop harmonized positions toward major economic issues through close consultation. They agreed further that it is important to sustain and develop dialogue and cooperation with countries whose political systems differ and which are in varying stages of economic development.

The President and the Prime Minister noted with satisfaction that the friendly and cooperative relations between the United States and Japan have continued to expand throughout diverse areas in the lives of the two peoples—not only in economic and political interchange, but in such varied fields as science and technology, medicine, education and culture. They looked forward to further collaboration on both private and governmental levels in all these areas. The President and the Prime Minister confirmed their common determination to further strengthen the partnership between their two countries, based on shared democratic values and a deep respect for individual freedom and fundamental human rights.

The President and the Prime Minister confirmed their common recognition that the interdependence of nations requires that the industrial countries manage their economies with due consideration for global economic needs, including those

of the developing nations. They agreed that economic recovery of the industrialized democracies is indispensable to the stable growth of the international economy, and that nations with large-scale economies, including the United States and Japan, while seeking to avoid recrudescence of inflation, should contribute to the stimulation of the world economy in a manner commensurate with their respective situations. They agreed that both Governments would continue to consult closely to this end.

They agreed that a liberal world trading system is essential for the sound development of the world economy, and in this connection expressed their determination to seek significant early progress in the Tokyo Round of the Multilateral Trade Negotiations and to bring those negotiations to a successful conclusion as soon as possible.

They reconfirmed the need for the nations concerned, including the United States and Japan, to address constructively the issues posed in the North-South relationship. They noted the continuing seriousness of the global energy problem and reconfirmed the importance of taking further steps to conserve energy and to develop new and alternative energy sources. They agreed on the necessity of intensified consumer country cooperation in the International Energy Agency and of continued promotion of cooperation between the oil-importing and oil-producing countries. They agreed that both Governments would continue their efforts to identify and promote positive solutions to these issues, and would endeavor to bring the Ministerial Meeting of the Conference on International Economic Cooperation to a successful conclusion.

The President and the Prime Minister welcomed the convening in London in May of the summit conference of the major industrial countries. They expressed

their expectation that the conference, in a spirit of cooperation and solidarity, would serve as a forum for a constructive and creative exchange of views on problems confronting the world economy.

The President and the Prime Minister reviewed the current international situation, and reaffirmed their recognition that the maintenance of a durable peace in the Asian-Pacific region is necessary for world peace and security.

They agreed that the close cooperative relationship between the United States and Japan, joined by bonds of friendship and trust, is indispensable to a stable international political structure in the Asian-Pacific region. They noted that the Treaty of Mutual Cooperation and Security between the United States and Japan has greatly contributed to the maintenance of peace and security in the Far East, and expressed their conviction that the firm maintenance of the Treaty serves the long-term interests of both countries.

The President reaffirmed that the United States as a Pacific nation, maintains a strong interest in the Asian-Pacific region, and will continue to play an active and constructive role there. He added that the United States will honor its security commitments and intends to retain a balanced and flexible military presence in the Western Pacific. The Prime Minister welcomed this affirmation by the United States and expressed his intention that Japan would further contribute to the stability and development of that region in various fields, including economic development.

Noting the activities of the Association of Southeast Asian Nations, the President and the Prime Minister valued highly the efforts of its member countries to strengthen their self-reliance and the resilience of the region. They also reaffirmed that the two countries are prepared to continue cooperation and assistance in sup-

port of the efforts of the ASEAN countries toward regional cohesion and development.

Taking note of the situation in Indochina, they expressed the view that the peaceful and stable development of this area would be desirable for the future of Southeast Asia as a whole.

The President and the Prime Minister noted the continuing importance of the maintenance of peace and stability on the Korean Peninsula for the security of Japan and East Asia as a whole. They agreed on the desirability of continued efforts to reduce tension on the Korean Peninsula and strongly hoped for an early resumption of the dialogue between the South and the North. In connection with the intended withdrawal of United States ground forces in the Republic of Korea, the President stated that the United States, after consultation with the Republic of Korea and also with Japan, would proceed in ways which would not endanger the peace on the Peninsula. He affirmed that the United States remains committed to the defense of the Republic of Korea.

The President and the Prime Minister emphasized that, as a first step toward the most urgent task of nuclear disarmament, nuclear testing in all environments should be banned promptly. With respect to the international transfer of conventional weapons, they emphasized that measures to restrain such transfer should be considered by the international community as a matter of priority. In connection with the prevention of nuclear proliferation, the President welcomed the ratification by Japan last year of the Treaty on the Non-Proliferation of Nuclear Weapons.

The President and the Prime Minister, recognizing the important role the United Nations is playing in the contemporary world, agreed that Japan and the United States should cooperate for the strength-

ening of that organization. In this connection, the President expressed his belief that Japan is fully qualified to become a permanent member of the Security Council of the United Nations, and stated American support for that objective. The Prime Minister expressed his appreciation for the President's statement.

The President and the Prime Minister reaffirmed that the use of nuclear energy for peaceful purposes should not lead to nuclear proliferation. In this connection, the President expressed his determination to develop United States policies which would support a more effective non-proliferation regime. The Prime Minister stated that for Japan, a party to the Non-Proliferation Treaty and a highly industrialized state heavily dependent on imported energy resources, it is essential to progress toward implementation of its program for the development and utilization of nuclear energy. The President agreed to give full consideration to Japan's position regarding its energy needs in connection with the formulation of a new nuclear policy by the United States. The President and the Prime Minister agreed on the necessity for close cooperation between the United States and Japan in developing a workable policy which will meet Japan's concerns and contribute to a more effective non-proliferation regime.

The President and the Prime Minister discussed matters concerning bilateral trade, fisheries, and civil aviation. They agreed on the importance of continued close consultation and cooperation between the two Governments to attain mutually acceptable and equitable solutions to problems pending between the United States and Japan.

The Prime Minister conveyed an invitation from the Government of Japan to President and Mrs. Carter to visit Japan. The President accepted this invitation

with deep appreciation and stated that he looked forward to visiting Japan at a mutually convenient time.

Election Reform

Message to the Congress. March 22, 1977

To the Congress of the United States:

I hereby transmit to the Congress my recommendations for reforms in our Nation's election system.

The Vice President and I have developed these proposals in order to meet our commitment to the American people to work toward an electoral process which is open to the participation of all our citizens, which meets high ethical standards, and which operates in an efficient and responsive manner. I know that you in the Congress share these goals, and I applaud your efforts which are already underway to achieve them.

Voter Registration

My first proposal, and the one on which I am proposing a specific bill to the Congress, is designed to open up our system of voter registration.

The basis of our democratic system is the right of every eligible citizen to vote. In the 200 years of its history, this Nation has greatly expanded the opportunity to vote to wider and wider groups of citizens.

Despite this progress, we have in recent years witnessed a disturbing trend toward lower and lower levels of voting by our citizens. I am deeply concerned that our country ranks behind at least twenty other democracies in its level of voter participation.

Our country's disappointing record cannot be remedied by any one solution or any single piece of legislation. But, millions of Americans are prevented or discouraged from voting in every election

by antiquated and overly restrictive voter registration laws. We can take one immediate step toward solving this serious problem by removing antiquated and unnecessary obstacles which prevent voters from participating in the electoral process.

I am proposing to remove the unnecessary and unfair barriers by creating a method of universal voter registration. Under the legislation I will propose to the Congress, citizens qualified to vote under state laws could go to their polling places on the day of a Federal election and register there after proving their eligibility. The states would be encouraged to adopt a similar system of registration for state and local elections.

Under this plan, state and local officials will continue to administer voter registration and elections, and will still register as many voters as possible prior to election day in the usual manner, in order to avoid congestion at the polls.

We would offer financial assistance to the states to employ additional registrars and to help pay the cost of registration by mail, traveling registrars, or any other pre-election day registration efforts the state might choose.

State and local officials would also have the option of using the money they receive under the plan to modernize what are often outmoded and poorly equipped systems of election administration. A new office within the Federal Election Commission would distribute the Federal funds and oversee the program.

I also propose that we enact very strong safeguards to protect the integrity of the election process. Willful fraud in registering to vote should bear the strong criminal penalties of five years imprisonment and a \$10,000 fine already found in the Voting Rights Act. Any person who takes part in a scheme to falsely identify or register voters should be similarly punished, and multiple convictions should

lead to even stiffer penalties. The government should seek injunctive relief in Federal court to stop any patterns of fraudulent activity which might arise.

States should be allowed to require all persons registering at the polls to prove their identity and place of residence by approved forms of identification. All registrants should be informed of the state's qualifications for voting and be required to sign a statement, under oath and criminal penalty, that they meet those qualifications.

While these safeguards are important and necessary, I am optimistic that they will rarely be tested and the record suggests that they will rarely be needed.

This system of election-day registration is already employed in a number of states, and the record shows that it has usually increased voter participation without increasing voter fraud. Four out of five states with the highest voter turnout rates in the 1976 election permitted citizens to register and vote on election day.

Campaign Financing

My second recommendation deals with the way in which we pay the costs of Congressional campaigns.

In 1974, Congress took the historic step of establishing a system of public financing for Presidential primary and general elections. I urge the Congress to extend this important reform to campaigns for both the House and the Senate.

The record of the first publicly financed Presidential campaign has demonstrated that public financing is workable and widely accepted by the American people. Public financing of candidates not only minimizes even the appearance of obligation to special interest contributors, but also provides an opportunity for qualified persons who lack funds to seek public office. It would be a tragic irony if the 1974 law, which reduced the pressure

special interests could place on Presidential candidates, increased the pressures on candidates for Congress as the large contributors look for new means of gaining influence with their political funds.

The method we select should allow each American the option of deciding whether to participate in public funding. The check-off provision on the income tax form accomplishes this goal for Presidential campaign financing. The check-off method should also be used to raise the funds necessary to support Congressional candidates.

Congress is best suited to decide on an exact formula for financing campaigns. However, I believe there are several features which should be part of any plan:

- First, the plan should require that candidates demonstrate substantial public support before they get public funds to help finance their campaigns. This would guard against frivolous candidates depleting the limited public funds available. The matching formula in the Presidential primaries provided a successful link between total public funds received and a candidate's ability to demonstrate citizen support through small private donations.

- Second, the limit on overall expenditures should not be excessively low so as to prevent an adequate presentation of candidates and their platforms to the people.

- Third, we should ensure that candidates who accept public financing are not placed at a serious disadvantage in competing with opponents who have extraordinarily abundant private funds. Under the recent Supreme Court ruling, if a candidate refuses to accept public financing, then no limitation can be imposed on the amount of personal or other private funds which may be spent on the campaign. But if a less wealthy opponent

does accept public financing, stricter spending limits would be imposed on him than on his opponent. I hope Congress will address this problem.

- Fourth, I favor the broadest possible application of public financing. It should apply to primaries as well as general elections. I hope the Congress will act soon to pass legislation so that public financing can be available for the 1978 Congressional campaigns. It is important to begin now with public financing for general elections, even if a plan for primaries cannot be adopted this year.

Strengthening the Federal Election Campaign Act

While public financing of the last Presidential election was highly successful, my third suggestion is for certain modifications which our experience has shown could make the system work even better.

We noticed, for example, that there was less activity than in the past at the state and local level during the general election campaign. Opportunities should be available for more grass-roots participation in Presidential races. This could be accomplished by allowing Presidential candidates to designate one committee in each state to raise and spend a limited amount of money for campaign activities within the state. A reasonable limit for this activity might be 2¢ per eligible voter. Such committees could be allowed to delegate spending authority to local committees, but they should still be responsible for reporting contributions and expenditures. Also, when Congressional candidates mention in their advertising the Presidential nominee of their party, the expenditure should not have to be reported by the Presidential candidate.

Another useful change would be to grant Presidential candidates an additional amount to cover the great costs of

complying with election laws—for example, filing the many necessary financial reports. We should prohibit the private raising of funds for this purpose.

We could also simplify the reporting of contributions and expenditures by directing the Federal Election Commission to establish common reporting and accounting systems to be used by all candidates.

Finally, we must clarify the law as it applies to the financial aspects of the delegate selection process. Contributions to delegates, or candidates for delegate, should be charged against a Presidential candidate only when such delegates are pledged to the specific candidate. Also, a delegate's expenses for attending a convention should not be considered as contributions or expenditures for the candidate he or she supports.

Direct Popular Election of the President

My fourth recommendation is that the Congress adopt a Constitutional amendment to provide for direct popular election of the President.

Such an amendment, which would abolish the Electoral College, will ensure that the candidate chosen by the voters actually becomes President. Under the Electoral College, it is always possible that the winner of the popular vote will not be elected. This has already happened in three elections, 1824, 1876, and 1888. In the last election, the result could have been changed by a small shift of votes in Ohio and Hawaii, despite a popular vote difference of 1.7 million.

I do not recommend a Constitutional amendment lightly. I think the amendment process must be reserved for an issue of overriding governmental significance. But the method by which we elect our President is such an issue.

I will not be proposing a specific direct election amendment. I prefer to allow the Congress to proceed with its work without the interruption of a new proposal.

Political Rights of Federal Employees

My fifth and final recommendation concerns the political rights of federal employees.

Over 2.8 million federal employees, including postal workers and workers for the District of Columbia, are now denied a full opportunity to participate in the electoral process. Unlike other Americans, they cannot run as a partisan candidate for any public office, cannot hold party office, and cannot even do volunteer work in a partisan political campaign.

I favor revising the Hatch Act to free those federal employees not in sensitive positions from these restrictions. There should be exceptions for those employees who must retain both the appearance and the substance of impartiality. For employees in such sensitive positions who are not subject to Senate confirmation, restrictions on political activity are necessary. Acting on standards prescribed by Congress, the Civil Service Commission should determine which positions should be treated as sensitive in all relevant government agencies.

Under such a Hatch Act revision, the vast majority of federal employees would be able to participate in federal, state and local elections and other political functions. But, federal employees have a special obligation not to abuse their public service responsibility. I favor strong penalties for any federal employee who attempts to influence or coerce another federal employee into political activity, or who engages in political activity while on the job. I also favor maximum reliance on

a strong Civil Service Commission to vigorously prosecute employees who violate regulations against this kind of behavior.

JIMMY CARTER

The White House,
March 22, 1977.

NOTE: Following is the text of a letter from Vice President Walter F. Mondale to Members of Congress, as released by the White House Press Office along with the President's message:

Dear Member of Congress:

Attached is the President's message to the Congress containing several recommendations dealing with election reform. I was privileged to participate in the preparation of the message together with a number of your colleagues. I wanted you to know that the proposal for election day voter registration, which is our principal recommendation, was developed with the excellent assistance of Rep. Frank Thompson, Sen. Howard Cannon, Sen. Alan Cranston, Sen. Edward Kennedy and others, and the President and I are very grateful for their cooperation. We believe it will serve as an example of how the Administration and the Congress can work together in developing needed legislation. We hope you will read the message carefully and, needless to say, we hope also we will have your support for its recommendations.

Sincerely,

WALTER F. MONDALE

Urban and Regional Development Policies

*Memorandum to the Heads of Certain
Departments. March 21, 1977*

Memorandum for the Secretary of Treasury, the Secretary of Commerce, the Secretary of Labor, the Secretary of Health, Education and Welfare, the Secretary of Housing and Urban Development, the Secretary of Transportation

During my campaign, I pledged an urban and regional policy based on mutual trust, mutual respect and mutual commitment between State and local governments on the one hand and the federal government on the other. Although we do not have as yet a national urban and regional policy, the first step toward achieving that goal must be coordination among federal departments and agencies.

I would like you to form a working policy group on urban and regional development. The purpose of the group will be to conduct a comprehensive review of all federal programs which impact on urban and regional areas; to seek perspectives of state and local officials concerning the role of the federal government in urban and regional development; and to submit appropriate administrative and legislative recommendations.

Under Executive Order 11297, Pat Harris has the responsibility to convene such a group and will do so shortly. I want to emphasize that development of an urban and regional policy should be a joint project with full participation by each of your departments, as well as from other Federal agencies where appropriate. This is a high priority for my Administration, and I have asked Jack Watson and Stu Eizenstat to facilitate and support your collective efforts in every way possible.

I look forward to receiving a preliminary report on your progress and findings by early summer.

JIMMY CARTER

cc: Heads of Executive Departments and Agencies

NOTE: The text of the memorandum was made available by the White House Press Office on March 23. It was not issued in the form of a White House press release.

Loyalty Day, 1977***Proclamation 4493. March 23, 1977****By the President of the United States
of America***A Proclamation**

Loyalty, however we may choose to define it, must dwell in our hearts as well as our minds. If we are to rely only on what the heart tells us about America, it will be easy to blind ourselves to those problems that our Nation has yet to solve as it begins its third century. If we are to rely only on the mind, it will be easy to create justifications that help us evade responsibility for our errors. Loyalty ought not to be a leash that prevents the mind from searching for new ideas or from asking new questions about old ones that have long gone unchallenged. Rather, the loyalty we feel in our hearts should be an anchor that keeps us faithful to the ideals of individual dignity and worth for which so many Americans have fought and died.

To encourage the American people to set aside a special day to reaffirm their loyalty to the United States and to reflect upon their heritage, the Congress, by joint resolution of July 18, 1958 (72 Stat. 369, 36 U.S.C. 162), designated the first day of May of each year as Loyalty Day and requested the President to issue a proclamation calling for its appropriate observance.

NOW, THEREFORE, I, JIMMY CARTER, President of the United States of America, call upon all appropriate organizations to celebrate Sunday, May 1, 1977, as Loyalty Day with such ceremonies as will encourage the American people to reaffirm their loyalty to the United States of America.

I also call upon the appropriate officials of the Government to display the flag of

the United States on all Government buildings on that day to underscore our renewed sense of national purpose.

IN WITNESS WHEREOF, I have hereunto set my hand this twenty-third day of March, in the year of our Lord nineteen hundred seventy-seven, and of the Independence of the United States of America the two hundred and first.

JIMMY CARTER

[Filed with the Office of the Federal Register,
2:53 p.m., March 23, 1977]

Federal Trade Commission***Nomination of Michael Pertschuk To Be a
Member of the Commission. March 23, 1977***

The President today announced that he will nominate Michael Pertschuk, of the District of Columbia, to be a Member of the Federal Trade Commission. The President indicated that upon confirmation by the Senate, Pertschuk would be designated Chairman of the Commission. Pertschuk is chief counsel of the Senate Commerce Committee.

He was born January 12, 1933, in London, England. He received a B.A. degree from Yale University in 1954 and an LL.B. from Yale Law School in 1959.

In 1959 and 1960, Pertschuk was a law clerk for U.S. District Judge Gus Solomon in Portland, Oreg., and from 1960 to 1962 he was an attorney with the Portland firm of Hart, Rockwood, Davies, Biggs & Strayer.

Pertschuk served as legislative assistant to U.S. Senator Maurine Neuberger from 1962 until 1964, when he became chief counsel of the Senate Commerce Committee.

Department of the Treasury

Nomination of Robert Carswell To Be Deputy Secretary. March 23, 1977

The President today announced that he will nominate Robert Carswell, of New York, N.Y., to be Deputy Secretary of the Treasury. Carswell is a partner in the New York law firm of Shearman and Sterling.

He was born on November 25, 1928, in Brooklyn, N.Y. He received an A.B. degree from Harvard College in 1949 and an LL.B. from Harvard Law School in 1952. He served in the U.S. Navy from 1952 to 1955, mainly in the Far East, as a lieutenant (jg.), USNR, and an agent in the Office of Naval Intelligence.

From 1956 to 1962, Carswell was an associate with Shearman and Sterling. He served as special assistant to the Secretary of the Treasury from 1962 until 1965, when he returned to Shearman and Sterling as a partner.

Carswell is vice president and former treasurer of the Association of the Bar of New York City, a director of New York Lawyers for the Public Interest, and a director of Caledonian Hospital of the City of New York.

He is a director and member of the executive committee of the Private Export Funding Corp., a director and chairman of the audit committee of the Graniteville Co., and a director of Aiken Industries, Inc.

Drought in the Western and Plain States

Message to the Congress. March 23, 1977

To the Congress of the United States:

Over the past two years, many of the Western and Plains states of our nation

have been victims of a prolonged, severe drought. The effects of the drought have built up over many months, and they will take a long time to correct. Even long periods of rain would not wholly relieve the problem now.

The human and economic costs of the drought have been high. It has jeopardized municipal water supplies, damaged crops and pastureland and depleted livestock numbers. The drought has inflicted financial hardship on countless farmers, ranchers, businessmen and others, and it continues to pose a serious threat to their livelihood.

The Federal government has already made available almost a billion dollars in drought assistance through loans and cost-sharing programs. Although we do not have enough money to meet every requirement or indemnify every loss, we can provide additional help in certain areas. I am recommending a variety of assistance programs which will be applied in each area depending on how severely the drought has affected the people of that region.

In addition, we can encourage water conservation through several existing government programs. In many cases, water conservation is our only hope for immediate relief. As a nation, we *must* begin to conserve our water supplies, and government—at all levels—must lead the way.

The measures I propose will allocate benefits fairly, will mitigate some of the worst effects of the drought, and will support individuals and communities in their efforts to conserve water. Some of these proposals will require modification of existing programs or additional funding. Others will require totally new legislation. All of these will be temporary authorities; they are designed to cope with short-term problems, and they will expire on September 30, 1977.

Specifically, I propose the following legislative actions:

- New temporary authority to allow the Economic Development Administration and the Farmers Home Administration to provide \$150 million in grants and \$300 million in low-interest (5%) loans to communities for emergency water system improvements which can be completed quickly and which are essential to protect public health and safety.

- Establishment of a new Small Business Administration drought assistance loan program to provide \$50 million in low-interest (5%) loans to small businesses in major drought designated areas.

- The establishment of a new Farmers Home Administration drought assistance loan program in which *prospective* losses can be included. This program will provide \$100 million in 5% loans to farmers and ranchers in major drought designated areas.

- New legislation to authorize the Secretary of the Interior to provide \$100 million in low-interest (5%) loans to purchasers of water. (Endorsement of the water bank objectives of S-925).

- Supplemental funds totalling \$14 million for the Southwestern Power Administration to ensure adequate energy supplies.

- Supplemental funds in the amount of \$30 million to the Bureau of Reclamation to provide assistance to irrigators on Federal Reclamation projects.

- Transfer to the Department of Agriculture from the Federal Disaster Assistance Administration authority to administer and fund the Emergency Livestock Feed Program.

- Supplemental funds to the Agricultural Stabilization and Conservation Serv-

ice in the amount of \$100 million to provide for cost-sharing of emergency soil conservation practices.

In addition, I have directed the following administrative measures:

- The Secretaries of Agriculture and Interior will make available additional Federal lands for grazing and issue emergency permits as appropriate.

- The Secretary of Agriculture will take administrative steps to ensure that trained fire-fighters and essential equipment are available to meet the increased danger of forest and wildfires.

When added to the supplemental appropriation of \$200 million for disaster assistance, these new legislative proposals will provide almost \$1 billion in additional drought assistance and bring to almost \$2 billion the assistance provided by the Federal government.

I believe the legislative proposals and administrative actions outlined above offer the best possibility of providing immediate assistance to meet the needs of some of our fellow Americans in this period of crisis. I urge immediate consideration of the legislative proposals and their timely adoption. If we are to be of real help to the people afflicted, time is of the essence.

JIMMY CARTER

The White House,
March 23, 1977.

NOTE: On the same day, the White House Press Office announced that the President had signed H.J. Res. 269, which appropriates \$200 million in supplemental 1977 budget authority for disaster relief activities of the Federal Disaster Assistance Administration, Department of Housing and Urban Development.

As enacted, H.J. Res. 269 is Public Law 95-13, approved March 21.

Presidential Commission on Americans Missing and Unaccounted for in Southeast Asia

*Remarks at a News Briefing on the Results
of the Commission's Trip to Vietnam
and Laos. March 23, 1977*

I'd like to make a brief report on what I consider to be a superb mission to Vietnam and Laos on the part of Leonard Woodcock and Senator Mike Mansfield, Marian Edelman, Ambassador Yost, and Congressman Montgomery, to inquire about the accounting for American service people who were missing in action, and also to lay the groundwork for future normalization of diplomatic relationships with those two countries.

Every hope that we had for the mission has been realized. The Commission members and the staff were received with great friendship. The Vietnamese delivered to the Commission 12 bodies. Eleven of them have been identified as American servicemen. One body is not an American serviceman and will be returned. We have notified the Vietnamese Government about the error and it was an honest mistake.

Positive identification procedures are continuing in Hawaii. And we feel that without delay—this is a very careful and meticulous process—that we can notify the families when positive identification is assured. The other 11 bodies are American service people and we think we know who they are, but before the families are notified, we want to be absolutely certain. The one body that was in error, the family is being notified about that error.

The Vietnamese have not tied together economic allocations of American funds with the MIA question. We believe that they've acted in good faith. They have

promised to set up a permanent study mechanism by which the United States Government can provide information that we have about the potential whereabouts or identity of servicemen who were lost, and the Vietnamese have promised to cooperate in pursuing the evidence that we might present to them in the future.

They've also suggested that we reinitiate diplomatic discussions in Paris without delay, to resolve other issues that might be an obstacle to peace between our two countries, and friendship between our two countries, and normalization of relationships within our two countries.

I will respond immediately to Premier Pham Van Dong, that we accept their invitation and that these discussions will commence. There are no preconditions requested, and there will certainly be no preconditions on our part for these talks in Paris.

I'd like to express on behalf of the American people, my sincere thanks to Chairman Leonard Woodcock and to the Commission members. They met with almost every conceivable interested group before they departed from the United States, including representatives of the families of servicemen who are missing in action, congressional leaders, and others, and they formed a team which worked in remarkable concert and performed their assignment in an absolutely superlative way.

At this time, I would like to introduce to the group Chairman Leonard Woodcock, who will be available to answer your questions about the trip.

Later on this afternoon, a complete written report by the Commission to me will be made public.

Thank you very much.

NOTE: The President spoke at 12:05 p.m. in the Briefing Room at the White House, follow-

ing his meeting with members of the Commission. Leonard Woodcock, president of the United Auto Workers and Chairman of the Commission, and former Senator Mike Mansfield, a member of the Commission, held a news briefing for reporters following the President's remarks.

Later in the day, the White House Press Office released the 22-page report of the Commission.

Water Resource Projects

Announcement of Review Procedures. March 23, 1977

Secretary of the Interior Cecil Andrus and Secretary of the Army Clifford Alexander, with the assistance of the Office of Management and Budget and the Council on Environmental Quality, have completed the water projects screening process to determine which projects will not undergo further review at this time and will be funded in fiscal year 1978 and which ones will be subject to additional evaluation, including public hearings.

The criteria used in the screening process took into account environmental impacts, project benefits, project economics, and safety factors.

As a result of the review process, 307 of a total of 337 Corps of Engineers and Bureau of Reclamation water resource development projects will not undergo further review at this time and will be funded in the forthcoming fiscal year.

Three projects which were on the list of 19 recommended for deletion in the President's February 21 message to the Congress have been dropped from further study at this time—the Dickey Lincoln School Lakes Project, in Maine; Paintsville Lake, in Kentucky; and Freeport, in Illinois.

Dickey Lincoln, along with a number of other projects, is still in the environ-

mental impact study phase. No project which is still in the engineering and design or environmental study phase will be subject to further study by the Presidential review group at this time, since additional work is needed to permit a full assessment of benefits, economics, environmental impacts, and safety features. Paintsville Lake and Freeport passed through the screening process without triggering major economic, environmental, or safety concerns under the criteria used.

A listing of the 307 water projects that will not undergo further review follows:

BUREAU OF RECLAMATION

Projects not subject to further review at this time, listed by State and project

Arizona

Gila

California

All American Canal System
Sacramento River Division, Central Valley
San Felipe Division, Central Valley
San Luis Unit, Central Valley

Colorado

Curecanti Unit
Fryingpan Arkansas
San Juan Chama

Idaho

Boise, Payette Division

Montana

Buffalo Rapids
Canyon Ferry Dust Abatement
East Bench Unit
Lower Marias Unit

Nebraska

Bostwick Division
Farwell Unit
Frenchman Cambridge Division
North Loup Division
O'Neill Unit

Nevada

Southern Nevada Water Supply

New Mexico

Brantley

North Dakota

Dickinson Unit

Oklahoma

Mountain Park

Oregon

Klamath

Tualatin

South Dakota

Belle Fourche

Texas

Nueces River

Palmetto Bend

San Angelo

Utah

Emery County

Jensen Unit, Central Utah

Vernal Unit, Central Utah

Washington

Columbia Basin, Bacon Siphon and Tunnel No.
2

Columbia Basin, Third Powerplant

Wyoming

Kendrick

CORPS OF ENGINEERS

*Projects not subject to further review at this
time, listed by State and project*

Alabama

John Hollis Bankhead Lock & Dam

Jones Bluff Lock and Dam

Mobile Harbor (Theodore Channel)

Alaska

Chena River Lakes

Arizona

Phoenix, Arizona and Vicinity Indian Bend,
Wash.

Phoenix and Vicinity (including New River)

Arkansas

Degray Lake

McClellan-Kerr Ark., River Nav. System, Locks
& Dam, Ark. and Okla.

Ouachita and Black Rivers, Ark. & La.

Red River Levees and Bank Stab Below Deni-
son Dam, Ark., La., & Tex.

Norfolk Lake-Power Units 3 & 4

Posten Bayou

Village Creek, Jackson and Lawrence Cty.

Channel Improvement

Lower White River, Augusta to Clarendon

St. Francis Basin

California

Corte Madera Creek

Cucamonga Creek

Dry Creek (Warm Springs) Lake and Channel

Humboldt Harbor and Bay

Imperial Beach

New Melones Lake

Port San Luis, San Luis Obispo Harbor

Sacramento River and Major and Minor Tribu-
taries

Sacramento River Bank Protection

Sacramento River, Chico Landing to Red Bluff

San Diego River and Mission Bay

San Francisco Bay to Stockton (J. F. Baldwin
and Stockton Ship Chans.)

Santa Cruz Harbor

Santa Maria Valley Levees

Surfside-Sunset and Newport Beach

Bodega Bay

Cottonwood Creek

Merced County Streams

San Diego (Sunset Cliffs)

San Luis Rey River

Wildcat and San Pablo Creeks

Colorado

Bear Creek Lake

Chatfield Lake

Las Animas

Trinidad Lake

Connecticut

New London

Park River

District of Columbia

Potomac Estuary Pilot Water Treatment Plant

Florida

Manatee County

Broward County

Central and Southern Florida

Dade County

Duval County

Four River Basins

Tampa Harbor (Main Channel)

Georgia

Carters Lake

West Point Lake, Ga., & Ala.

Hawaii

Iao Stream

Kaneohe-Kailua Area

Waianae Small Boat Harbor

Idaho

Dworshak Dam and Reservoir

Ririe Lake

Illinois

Eldred and Spankey Drainage & Levee District
 Kaskaskia Island Drainage and Levee District
 Louisville Lake
 Moline
 Sny Island Levee Drainage District
 South Beloit
 Columbia Drainage and Levee Dist. No. 3
 East Moline
 East St. Louis & Vicinity
 Freeport
 Illinois Waterway, Dresden Isl. Lock and Dam
 Illinois Waterway, Starved Rock Lock and Dam
 Kaskaskia River Navigation
 Lock and Dam 53 (Temporary Lock), Ill., Ky.
 Mississippi River btwn the Ohio and Missouri Rivers, Illinois and Missouri
 Rock Island
 Rockford
 Smithland Locks and Dam, Ill., Ind., Ky.

Indiana

Big Blue Lake
 Big Walnut Lake
 Brookville Lake
 Cannelton Locks and Dams, Ind., Ky.
 Evansville
 Levee Unit, No. 5
 Newburgh Locks and Dam, Ind., Ky.
 Patoka Lake
 Uniontown Locks and Dam, Ind., Ky.

Iowa

Davenport
 Big Sioux River at Sioux City, Iowa and South Dakota
 Clinton
 Mississippi River, Old Lock 14
 Mississippi River, Old Lock 19
 Missouri River Levee System, Iowa, Kansas, Missouri, and Nebraska
 Missouri River, Sioux City to Mouth, Iowa, Kans., Mo., and Neb.
 Saylorville Lake
 Waterloo

Kansas

Towanda Lake
 Big Hill Lake
 Clinton Lake
 El Dorado Lake
 Kansas City 1962 Modification
 Lawrence
 Perry Lake Area

Kentucky

Big South Fork National River and Recreation area, Ky. & Tenn.

Carr Fork Lake
 Cave Run Lake
 Laurel River Lake
 Martins Fork Lake
 Paintsville Lake
 Southwestern Jefferson County
 Taylorsville Lake
 Wolf Creek Dam—Lake Cumberland
 Reelfoot Lake
 West Kentucky Tributaries

Louisiana

Red River Waterway, Shreveport, La. to Vicinity of Index, Ar.
 Lake Pontchartrain and Vicinity
 Larose to Golden Meadow
 New Orleans to Venice
 Red River Emergency Bank Protection, La., Ark., Okla., & Texas
 Atchafalaya Basin
 Bayou Cocodrie and Tributaries
 Lower Red River
 Mississippi River Levees
 Old River
 Teche-Vermilion Basins

Maine

Dickey-Lincoln School Lakes

Maryland

Baltimore Harbor and Channels
 Bloomington Lake, Md., and W. Va.

Massachusetts

Charles River Natural Valley Storage Areas
 Saxonville
 North Nashua River

Michigan

Red Run Drain and Lower Clinton River
 Ludington Harbor
 Muskegon Harbor
 Saginaw River
 Tawas Bay Harbor

Minnesota

Big Stone Lake—Whetstone River, Minn. and South Dakota
 Mankato and North Mankato
 Mississippi River, Lock and Dam 1
 Roseau River
 Twin Valley Lake

Mississippi

Yazoo River, Belzoni Bridge
 Yazoo Basin

Missouri

Clarence Cannon Dam and Reservoir
 Harry S. Truman Dam and Reservoir

Little Blue River Channel
 Little Blue River Lakes
 Long Branch Lake
 Perry County Drainage and Levee, Districts 1,
 2, and 3
 Smithville Lake
 Stockton Lake
 Pine Ford Lake

Montana

Libby Additional Units and Reregulating Dam
 Libby Dam, Lake Koocanusa

Nebraska

Papillion Creek & Tributaries Lakes

New Jersey

Elizabeth

New Mexico

Las Cruces
 Los Esteros Lake

New York

Irondequoit Bay
 New York Harbor Collection and Removal of
 Drift
 Scajaquada Creek
 Yonkers
 Cattaraugus Harbor
 Dansville and Vicinity
 Ellicott Creek
 Moriches Inlet
 Port Ontario Harbor
 Saw Mill River and Elmsford and Greenburgh,
 N.Y.

North Carolina

AIWW-Replacement of Federal Highway
 Bridges
 B. Everett Jordan Dam and Lake
 Falls Lake
 Masonboro Inlet Jetties
 Morehead City Harbor
 Manteo (Shallowbag) Bay
 Randleman Lake

North Dakota

Burlington Dam
 Kindred Lake
 Garrison Dam—Lake Sakakawea
 Minot
 Missouri River, Garrison Dam to Lake Oahe

Ohio

Alum Creek Lake
 Caesar Creek Lake
 Chillicothe

Cuyahoga River Basin
 East Fork Lake
 Huron Harbor
 Lakeview Park
 Mill Creek
 Muskingum River Lakes
 Newark (Log Pond Run)
 Willow Island Locks and Dam, Ohio & W. Va.
 Point Place
 West Harbor

Oklahoma

Arcadia Lake
 Arkansas-Red River Basins Chloride Control,
 Ok., Tx., and Ks.
 Fort Gibson Lake—Power Units 5 & 6
 Birch Lake
 Candy Lake
 Clayton Lake
 Copan Lake
 Kaw Lake
 Optima Lake
 Skiatook Lake
 Waurika Lake

Oregon

Bonneville Second Powerhouse—Ore. & Wash.
 Coos Bay
 John Day Lock and Dam—Lake Umatilla, Ore.
 & Wash.
 Lost Creek Lake
 Lower Columbia River Bank Protection, Ore.
 & Wash.
 McNary Lock and Dam, Lake Wallula, Ore. &
 Wash.
 Willamette River Basin Bank Protection
 Strube Lake and Cougar Additional Unit

Pennsylvania

Elk Creek Harbor
 Tamaqua
 Blue Marsh
 Chartiers Creek
 Cowanesque Lake
 Monongahela River Locks and Dam 3
 Presque Isle Peninsula
 Raystown Lake
 Tioga-Hammond Lakes
 Tocks Island Lake
 Tocks Island Lake, Pa., NJ., NY.
 Trexler Lake

Puerto Rico

Portugues and Bucana Rivers

South Carolina

Cooper River, Charleston Harbor
 Murrells Inlet

Texas

Aquilla Lake
 Arkansas-Red River Basins Chloride Control,
 Area VIII
 Aubrey Lake
 Cooper Lake and Channels
 Corpus Christi Ship Channel
 El Paso
 Freeport and Vicinity, Hurricane Flood protec-
 tion
 GIWW—Chocolate Bayou
 Greenville
 Highland Bayou
 Lakeview Lake
 Lavon Lake MOD. & East Fork Channel
 Improv.
 Port Authur & Vicinity
 San Antonio Channel Improvement
 San Gabriel River
 Texas City & Vicinity
 Texas City Channel Industrial Canal
 Vince and Little Vince Bayous
 Big Spring
 Carl Estes Dam and Lake
 Clear Creek
 Millican Lake
 Mouth of Colorado River
 Plainview
 Trinity River Project

Tennessee

West Tennessee Tributaries

Virginia

Fourmile Run, City of Alexandria and Arling-
 ton County
 Gathright Lake
 Virginia Beach

Washington

Chief Joseph Dam Additional Units
 Ediz Hook
 Ice Harbor Additional Units
 Little Goose Additional Units
 Lower Granite Additional Units
 Lower Granite Lock and Dam
 Lower Monumental Additional Units
 The Dalles Additional Units, WA & OR
 Wahkiakum County Consolidated Diking Dis-
 trict
 Skagit River Levee and Channel Improvement
 Vancouver Lake Area

West Virginia

Beech Fork Lake
 Burnsville Lake
 East Lynn Lake
 R. D. Bailey Lake
 Rowlesburg Lake

Wisconsin

Prairie Du Chien

In addition to the 16 projects remaining from the original list of 19, 14 other water projects will be subject to further review with public hearings to be held on ques- tions of safety, economics, and environ- mental impacts.

These projects are:

Corps of Engineers

1. Tennessee Tombigbee Waterway, Alabama and Mississippi
2. Tensas Basin, Arkansas and Louisiana
3. Fulton, Illinois
4. Hillsdale Lake, Kansas
5. Bayou Bodcau, Louisiana
6. Mississippi River, Gulf Outlet, Louisiana
7. Red River Waterway, Mississippi River to Shreveport, Louisiana
8. Tallahala Creek Inlet, Mississippi
9. Applegate Lake, Oregon
10. Tyrone, Pennsylvania
11. LaFarge Lake, Wisconsin

Bureau of Reclamation

12. Dallas Creek, Colorado
13. Narrows Unit, Colorado
14. Lyman Project, Wyoming

The 16 projects which were originally deleted from the President's fiscal year 1978 budget revisions and which are still subject to further review and public hear- ings are:

Corps of Engineers

1. Cache Basin, Arkansas
2. Richard B. Russell, Georgia and South Caro-
 lina
3. Grove Lake, Kansas
4. Dayton, Kentucky
5. Yatesville Lake, Kentucky
6. Atchafalaya River and Bayous Beouf, Chene,
 & Black, Louisiana
7. Meramec Park Lake, Missouri
8. Lukfata Lake, Oklahoma

Bureau of Reclamation

9. Central Arizona Project, Arizona
10. Auburn-Folsom South, Central Valley Proj-
 ect, California
11. Dolores, Colorado
12. Fruitland Mesa, Colorado
13. Savery-Pot Hook, Colorado and Wyoming

14. Garrison Diversion Unit, North Dakota, South Dakota
15. Oahe Unit, South Dakota
16. Central Utah Project, Bonneville Unit, Utah

The Interior Department has been holding hearings this week on the eight Bureau of Reclamation projects deleted from the President's fiscal year 1978 budget. Additional hearings will be announced by the Interior and Army Departments.

The Tennessee Valley Authority is also conducting a review of its five water resource projects. The TVA's screening process should be completed shortly, and any projects which require further study and public hearing will be announced later this week.

The Agriculture Department's small watershed projects and the small projects carried out by the Corps of Engineers and the Interior Department under general authorities will be reviewed under similar criteria, and results recommended by July 15, 1977.

Budget Deferrals

Message to the Congress Transmitting the Deferrals. March 24, 1977

To the Congress of the United States:

In accordance with the Impoundment Control Act of 1974, I herewith report two new deferrals of funds totaling \$12.6 million. The deferred funds were provided for water resources projects in the Corps of Engineers and the Department of the Interior. Only one of the deferrals—related to the Corps of Engineers' Meramec Park Lake project—is now in effect. This deferral will be maintained, at least until the completion of a review of Federal water resources projects currently in progress.

The details of each deferral are contained in the attached reports.

JIMMY CARTER

The White House,
March 24, 1977.

NOTE: The attachments detailing the deferrals are printed in the **FEDERAL REGISTER** of March 30, 1977.

The message was not issued in the form of a White House press release.

Department of Agriculture and Commodity Credit Corporation

Nomination of Dale E. Hathaway To Be an Assistant Secretary of Agriculture and a Member of the Board of Directors of the Corporation. March 24, 1977

The President today announced that he will nominate Dale E. Hathaway, of the District of Columbia, to be Assistant Secretary of Agriculture (International Affairs and Commodity Programs) and a member of the Board of Directors of the Commodity Credit Corporation. Hathaway is director of the International Food Policy Research Institute in Washington.

Hathaway was born in Decatur, Mich., on June 28, 1925. He received a B.A. in economics (1947) and an M.A. (1948) from Michigan State University and a D.P.A. (1952) from Harvard University. From 1944 to 1946, he served in the U.S. Navy as an ensign.

From 1950 to 1955, Hathaway was an instructor, then assistant professor, of agricultural economics at Michigan State University. He was a senior staff member on the Council of Economic Advisers in 1955 and 1956, and then returned to Michigan State where he served as an associate professor, then professor, of agricultural economics until 1961.

In 1961–62 Hathaway served as a visiting professor of economics at the Univer-

sity of Chicago, and in 1962 he returned to Michigan State as a professor of agricultural economics and as chairman of the department in 1969-70.

From 1970 to 1972, Hathaway served as director of the Center for Rural Manpower and Public Affairs. He was a program adviser in agriculture for the Ford Foundation's Asia and Pacific Program from 1972 until 1975, when he became director of the International Food Policy Research Institute.

Hathaway is the author of "Government and Agriculture" (1963), "Problems of Progress in the Agricultural Economy" (coauthor) (1964), and "The People of Rural America" (1976). He was a member of the National Manpower Advisory Commission in 1970, the President's Scientific Advisory Commission in 1966-67, and the Council of Economic Advisers from 1961 to 1963.

THE PRESIDENT'S NEWS CONFERENCE OF MARCH 24, 1977

VIEWS ON THE PRESIDENCY; SECRETARY OF STATE'S VISIT TO THE SOVIET UNION

THE PRESIDENT. I have a brief opening statement to make about the function of the Presidency and about the Secretary of State's upcoming visit to the Soviet Union.

I think one of the most impressive observations that I have understood so far about the Presidency and what it stands for is the need to derive its strength directly from the people. There have been some expressions of concern about my bringing on these news conferences and in other ways, issues that affect foreign policy directly to the people of our country.

I think it is very important that the strength of the Presidency itself be recognized as deriving from the people of this Nation, and I think it is good for us, even in very complex matters when the outcome of negotiations might still be in doubt, to let the Members of Congress and the people of this country know what is going on and some of the options to be pursued, some of the consequences of success, some of the consequences of failure.

I think in many areas of the world now we are trying to invest a great deal of time and attention and the good offices of our country to bring about a resolution of differences and to prevent potential conflict.

Tomorrow, the Secretary of State will depart for the Soviet Union. We have spent weeks in detailed study about the agenda that has been prepared. This agenda is one that's been derived by the Soviet Union and by our own country. I would say the central focal point will be arms limitations and actual reductions for a change.

I have had long discussions with the Joint Chiefs of Staff and with other members of my own Cabinet to derive our potential proposals, which Cy Vance will put forward to Mr. Brezhnev and the Russian leaders.

We will be talking about the limitation on arms sales. We are now the number one exporter or salesman of arms of all kinds. We have been working with our own allies to cut down this traffic, and we hope to get the Soviet Union to agree with us on constraint.

We'll be dealing with mutual and balanced force reductions in the NATO area and, on this trip, Cy Vance will make a report on the attitude of the Soviet Union leaders concerning the European theater.

We'll be trying to control the testing of nuclear devices, both weapons and peaceful nuclear devices, and we would

like to eliminate these tests altogether if the Soviets will agree.

We are going to try to move toward demilitarizing the Indian Ocean and, here again, we'll be consulting closely with our allies and friends. And we are going to express our concern about the future of Africa and ask the Soviet Union to join with us in removing from that troubled continent, outside interference which might contribute to warfare in the countries involved. And we will start laying the groundwork for cooperation with the Soviet Union at the Geneva Conference which we hope will take place, concerning the Middle East.

These matters are extremely complex. We don't know whether or not we will be successful at all, but we go in good faith with high hopes. The Soviets have been very cooperative up to this point, and we are pleased with their attitude. And I know that the prayers of the American people will go with Cy Vance, our Secretary of State, to the Soviet Union, in hopes that this trip might result in the alleviation of tension and the further guaranteeing of peace for our world in the future.

Mr. Cormier [Frank Cormier, Associated Press].

QUESTIONS

ANTI-INFLATION PROGRAM

Q. Mr. President, the pace of inflation has been picking up a bit. And at least temporarily, both the consumer and wholesale price indices, annualized, are in double-digit range. How do you see the outlook for inflation, and how are you coming in fashioning a comprehensive program to deal with it?

THE PRESIDENT. There is an underlying inflation rate of 5 to 6 percent, which is generally derived from the rate of increase in wages minus the productivity of

workers. It is one of the best measurements.

I think that the monthly reports that come in, quite often, are very misleading. They are transient in nature. We've had a drastic increase in energy costs during this winter period because of the unprecedented severity of the weather. And we have also had a very high increase in the cost of many food items, again because of damage to crops in different regions of the country, and because of coffee losses overseas.

My own guess is that the inflationary pressures will continue at about the level that they have historically in the last couple of years, around 6 or a little bit better percent. We are now preparing a very strong anti-inflation package which will be delivered to the Congress and to the American people within the next couple of weeks. We have been working on it since even before I was inaugurated.

We have begun to exercise constraint on some of the spending policies of our own administration, and we also are beginning to assess the impact of many decisions made by Government and the public that contribute to the inflationary pressures which quite often are not obvious.

And I hope to both learn myself and to let the Congress and the American people learn, in the process, how we can control inflation.

I think the economic stimulus package that we have can boost the increase in our national product up to around 5 percent or a little better, which is crucial to cutting down the unemployment rate. It will not be, in my opinion, a major factor in inflation. But on a long-range basis, I intend to help control inflation.

I intend to cut down the expenditure of Government programs well enough to bring about a balanced budget by 1981. I am deeply committed to this goal. And I believe that we will have unveiled, for the

Nation to assess, a comprehensive package against inflation within the next 2 weeks.

Ms. Thomas [Helen Thomas, United Press International].

THE SOVIET UNION

Q. Mr. President, in terms of bringing the American people in on the dialog, you spoke of arms reduction. Does that mean that Vance will take a new set of proposals on SALT? And two, you spoke of the cooperative attitude of the Soviets. Does that mean that you don't think that any of Brezhnev's statements in the past week will have any bearing in terms of your human rights stand on the SALT negotiations?

THE PRESIDENT. Well, I think the first question is easily answered. Yes, we will take new proposals to the Soviet Union. We are not abandoning the agreements made in the Vladivostok agreement. As you know, all previous SALT agreements have been, in effect, limitations that were so high that they were, in effect, just ground rules for intensified competition and a continued massive arms growth in nuclear weapons.

We hope to bring not only limitations for—to continue in the past, but also actual substantial reduction that the Soviets will agree. That will be our first proposal. I spelled this out briefly in my United Nations speech.

And the second fall-back position will be, in effect, to ratify Vladivostok and to wait until later to solve some of the most difficult and contentious issues. We hope that the Soviets will agree to the substantial reduction.

The other part of your question was, what, Helen?

Q. It was in the question of this new—the cooperative attitude.

THE PRESIDENT. About Brezhnev's attitude?

Q. Right.

THE PRESIDENT. Well, I study Mr. Brezhnev's speeches in their entirety. And I think the speech made this past week to their General Trade Union Conference and one made previously at Tula—I consider them to be very constructive.

There was a delineation in his speech between human rights—which he equates with intrusion into their own internal affairs, and I don't agree with that assessment—that has been divided in his speeches from the subject of peace and arms limitation, including nuclear arms. So, I have nothing that I have heard directly or indirectly from Mr. Brezhnev that would indicate that he is not very eager to see substantial progress made in arms limitations.

U.S. NEGOTIATIONS

Q. Mr. President, in your opening statement you said you thought it was a good thing for you to speak out on negotiation details, but you didn't say why. As I understand the criticism, sir, it is that it impedes negotiations when you put out on the table, just in a range of thought, things that the parties haven't privately been able to work out. Why do you think it does not impede negotiations?

THE PRESIDENT. Well, I think if anyone would analyze the details of the statements that I have made so far, they are not so narrowly defined or specific that they would prevent both parties to a dispute from negotiating in good faith with a fairly clean slate ahead of them. The Middle East is one example.

I think, in many instances, the propositions that I have promulgated publicly are generally conceded to be very important and legitimate, but the public

expression of those matters has not been made to the American people over a period of years.

The exact means of defining borders in the Middle East, the exact resolution of the Palestinian problem, the definition of permanent peace—all these things obviously have to be decided between the Arab countries and Israel. But to point out that they are matters in dispute and that we hope they will be solved this year, I think is constructive.

We have not intruded ourselves against the wishes of the interested nations in the eastern Mediterranean. Both Turkey and Greece welcomed our emissary, and I think we can be a good mediator to the extent that both parties trust us to act in good faith.

The same thing applies in southern Africa and the same thing applies to the MIA mission to Vietnam and Laos. And I believe that it is very important for the American people to know the framework within which discussions might take place and to give me, through their own approval, strength, as a party to some of the resolutions of disputes and, also, to make sure that when I do speak, I don't speak with a hollow voice, but that the rest of the world knows that on my stand, for instance, on human rights, that I am not just speaking as a lonely voice, but that I am strongly supported by the Congress and the people of the country.

This week the Congress passed almost unanimously—I think with only two dissenting votes in both Houses—a strong confirmation that my own stand expressed on human rights is indeed the stand of the American people. It's an unswerving commitment. It's one that will not be changing in the future. And I think for the rest of the world to know this and for the American people to participate in

that expression of concern about human rights is a very constructive thing.

VIETNAM

Q. Mr. President, you said that when you received the report from the Woodcock Commission that every hope you had for their mission had been realized.

THE PRESIDENT. Yes, that is true.

Q. That report suggested that the best way to get an actual accounting of those still missing in Southeast Asia is for the normalization of relations; yet, your position in the past has been that there must be an accounting first before relations can be normalized. Have you changed your position, and what hope does that give for the families?

THE PRESIDENT. No, I haven't changed my position. I have always taken the position that when I am convinced that the Vietnamese have done their best to account for the service personnel who are missing in action, at that point, I would favor normalization, the admission of Vietnam into the United Nations, and the resumption of trade and other relationships with the Vietnamese.

I believe that the response of the Vietnamese leaders to the Woodcock Commission was very favorable. They not only gave us the bodies of 11 American servicemen, but they also promised to set up a Vietnamese bureaucracy to receive the information that we have had about the date and the place that we think service people were lost and to pursue those investigations.

I think this is about all they can do. I don't have any way to prove that they have accounted for all those about whom they have information. But I think, so far as I can discern, they have acted in good faith.

They have also suggested, and we have agreed, that we go to Paris to negotiate further without any preconditions. In the past, the Vietnamese have said that they would not negotiate with us nor give us additional information about the MIA's until we had agreed to pay reparations. They did not bring this up, which I thought was an act of reticence on their part.

They had claimed, previously, that President Nixon had agreed to pay large sums of money to Vietnam because of damage done to their country. Our position had been, whether or not that agreement had been made, that the Vietnamese had violated that agreement by intruding beyond the demilitarized zone during the war.

But they told Mr. Woodcock and sent word to me: We are not going to pursue past agreements and past disagreements. We are eager to look to the future. And I am also eager to look to the future.

If we are convinced, as a result of the Paris negotiations and other actions on the part of the Vietnamese, that they are acting in good faith, that they are trying to help us account for our MIA's, then I would aggressively move to admit Vietnam to the United Nations and, also, to normalize relationships with them.

Q. As to the second part of my question, what about the families of the 2,500 people who have still not been accounted for, or remains have not been returned?

THE PRESIDENT. I have nothing but sympathy for the families involved, and I can assure them through this news conference presentation, that we will never cease attempting to account for those 2,500 American servicemen who were lost.

I might point out that at the conclusion of the Korean war and the Second World War, of those that were lost in action, we only accounted for—I think we still did not account for 22 percent. At

the conclusion of the Vietnam war, my understanding is that we had accounted for all except about 4 percent.

I can't certify that we have all the information available, and we are never going to rest until we pursue information about those who are missing in action to the final conclusion. But I will do the best I can. But I don't want to mislead anybody by giving hope about discovery of some additional information when I don't believe that the hope is justified.

WATER RESOURCE PROJECTS

Q. Mr. President, in the criticism of your water project hit list, so-called, which now totals about 30 projects, I believe, there has been a suggestion that some kind of an environmental clique has produced that list but there has been no actual review or consultation by some of the line agencies—Interior. Specifically, there has been a suggestion that Secretary Andrus has not been involved in the final consultations of the review. This, after some years of review, went into the production of those projects themselves. Could you respond to that kind of criticism, sir?

THE PRESIDENT. Yes, sir.

The so-called hit list is a list of projects that will be meticulously reviewed in public hearings, where Members of Congress, Chambers of Commerce, Governors, farmers, environmentalists, and others who are concerned about each individual project can participate.

All of the projects that have been recommended for reassessment have been carefully reviewed by Secretary Andrus in every one of those that relate to the Interior Department, the Bureau of Reclamation, and by the Corps of Engineers, those that are being proposed for construction by the Corps of Engineers. In effect, the Corps of Engineers and the Department of Interior have had a veto over

projects that would be reassessed, with only two exceptions—one exception in Arkansas, one exception in Georgia—which I personally asked that they be reassessed when the corps did not agree.

But these projects need to be looked at very closely. I personally don't believe that any of the projects ought to be built, but I will keep an open mind until after the complete review process is concluded and will then make my own decision as far as the President's position is concerned. But I can assure you that the Corps of Engineers and Interior Department have been intimately involved in the preparation of the list and the reassessment of the list. It's a preliminary screening. Public hearings will conclude for me what my own position would be.

Ed Bradley [CBS News].

VIETNAM

Q. Mr. President, on the subject of Vietnam, if you feel the United States is not obligated to uphold the terms of the Paris Peace Accords because of the North Vietnamese offensive that overthrew the South Vietnamese Government, do you feel, on the other hand, any moral obligation to help rebuild that country?

THE PRESIDENT. I can't say what my position would be now on future economic relationships with Vietnam. I think that could only be concluded after we continue with negotiations to see what their attitude might be toward us.

My own natural inclination is to have normal diplomatic relationships with all countries in the world. Sometimes there are obstacles. I believe there are now 14 nations with whom we do not have diplomatic relationships. I don't know what the motivations of the Vietnamese might be. I think part of the motivation might be to be treated along with other nations in economic assistance from our country,

and in trade, and development of their fairly substantial natural resources, including oil.

Other considerations might be political in nature. They might very well want to balance their friendship with us with their friendship with the Soviet Union and not be completely dependent upon the Soviet Union. That is just a guess on my part. But I am willing to negotiate in good faith. But as far as describing what our economic relationship might be with Vietnam in the future after the relationships are established, I just couldn't do that now.

Q. Mr. President, with that understanding and your hesitancy to disclose a position before negotiations are started—

THE PRESIDENT. I don't have a position.

Q. —beyond that, do you still feel that if that information on those American servicemen who are missing in action is forthcoming from the Vietnamese, that then this country has a moral obligation to help rebuild that country, if that information is forthcoming?

THE PRESIDENT. Well, the destruction was mutual. You know, we went to Vietnam without any desire to capture territory or to impose American will on other people. We went there to defend the freedom of the South Vietnamese. And I don't feel that we ought to apologize or to castigate ourselves or to assume the status of culpability.

Now, I am willing to face the future without reference to the past. And that is what the Vietnamese leaders have proposed. And if, in normalization of relationships, there evolves trade, normal aid processes, then I would respond well. But I don't feel that we owe a debt, nor that we should be forced to pay reparations at all.

THIRD WORLD DEBT

Q. Mr. President, yesterday several Congressmen accused your economic policies as being dictated by New York banks. Now, your plans for bailing out New York through using the IMF with a hyper-inflationary process indeed does sound like a recent speech that David Rockefeller made in which he called for hyper-inflating the advanced sector and imposing so-called demand economies on the Third World, which means massive austerity.

Now, at the same time, over recent weeks a number of our NATO allies—

THE PRESIDENT. What is your question?

Q. My question is, over recent weeks a number of our NATO allies have indicated that they would rather see the problem of Third World debt resolved through a debt moratorium. And I am just wondering if there is any chance that you'd go along with our allies in that direction, or if you would insist on this kind of hyper-inflationary bailing out?

THE PRESIDENT. Well, I have had no entreaties from David Rockefeller concerning the New York problem, nor have I had any of our allies that have called on me to join them in a debt moratorium. I am not in favor of a debt moratorium.

ZAIRE

Q. Mr. President, would you mind telling us what our commitments are in Zaire and what the ramifications of those commitments might be to us?

THE PRESIDENT. We have no outstanding commitments in Zaire. Over a period of years, President Mobutu has been a friend of ours. We've enjoyed good relationships with Zaire. We have substantial commercial investments in that country.

After the recent, very disruptive conflict within Zaire when the country was

finally formed—a number of years ago—it has been fairly stable since then. Zaire was involved, I think at least indirectly, in the Angolan conflict, and there are some remaining hard feelings between Angola and Zaire on that part. Some of the Katangans who lived in the southern part of Zaire are now involved in trying to go back into the area where they formerly lived.

We have no hard evidence or any evidence, as far as that goes, that the Cubans or Angolan troops have crossed the border into Zaire. We look on them as a friendly nation, and we have no obligations to them as far as military aid goes. But we have been cooperating in exchanging information with the Belgian Government, the French Government, and others, just to try to stabilize the situation and to lessen the chance of expanding the conflict.

U.S.-SOVIET RELATIONS

Q. Mr. President, I don't ask this question in a churlish way or an argumentative way—

THE PRESIDENT. I'm sure you don't. [Laughter]

Q. —but taking—recalling the unwillingness of the United States to intervene at the time of the Hungarian uprising or at the time of Dubcek's ouster in Czechoslovakia, what do you really think that you can accomplish for political dissidents in the Soviet Union, not in other parts of the world, but in the Soviet Union? And I have a followup I would like to ask.

THE PRESIDENT. Why don't you ask your followup now and I will try to answer.

Q. My followup is this: You are saying that all of the evidence that you have from Mr. Brezhnev is that he is willing to go forward or he is receptive to SALT II negotiations.

Mr. Brezhnev said before the Labor Congress that normal relations would be impossible—"unthinkable" was his word—if your human rights campaign continued.

You have referred to private communications with Mr. Brezhnev, and I would like to know in the follow-up question, whether he has given you any assurances in those private communications that he is indeed willing to go forward on SALT II?

THE PRESIDENT. Well, it is not just a matter of private conversations. We are not trying to overthrow the Soviet Government nor to intrude ourselves into their affairs in a military way.

I think it has been a well-recognized international political principle that interference in a government is not a verbal thing. There is an ideological struggle that has been in progress for decades between the Communist nations on the one hand and the democratic nations on the other.

Mr. Brezhnev and his predecessors have never refrained from expressing their view when they disagreed with some aspect of social or political life in the free world. And I think we have a right to speak out openly when we have a concern about human rights wherever those abuses occur.

I think that Mr. Brezhnev has not said that he is concerned about my campaign on human rights. What he said is that he objects to any intrusion into the internal affairs of the Soviet Union.

Now, I have tried to be reticent about it. I have tried to let my own position be clear in the speech at the United Nations and in my other actions. I have tried to make sure that the world knows that we are not singling out the Soviet Union for abuse or criticism.

We are trying to move in our own country to open travel opportunities and to correct civil rights abuses and other abuses in our country. So, I don't think this is a matter that is connected with the search

for peace through the SALT negotiations, for instance.

The very fact that Mr. Brezhnev and his associates have welcomed Secretary Vance to the Soviet Union and have helped us prepare a very comprehensive agenda is adequate proof that he has not broken off relationships in any way, and that he has hopes that the talks will be productive.

My belief is that he is acting in good faith. We are not going to negotiate in such a way that we leave ourselves vulnerable. But if the Soviet Union is willing to meet us halfway in searching for peace and disarmament, we will meet them halfway.

I think that this is a good indication that they are acting in good faith. If we are disappointed, which is a possibility, then we'll try to modify our stance.

Yes, Mr. Sperling [Godfrey Sperling, Jr., *Christian Science Monitor*].

ORGANIZED CRIME

Q. On a subject on which I don't believe you have been questioned before, have you asked the Justice Department to finally come up with a national strategy for fighting organized crime?

THE PRESIDENT. I have discussed this with Attorney General Bell, and he has not yet evolved to present to me a comprehensive approach to the organized crime question. But I'd have to give you an answer to that after the press conference.¹ I don't know what the status of his effort is, Mr. Sperling.

¹ Later in the day, the White House Press Office issued the following statement:

At his news conference, the President said he assigned a high priority on fighting organized crime and promised to elaborate on his position after he had a chance to review the status of this effort with Attorney General Bell.

The President is informed by the Attorney General that Peter Flaherty, whose nomination to be Deputy Attorney General advanced in the

Q. Let's put it this way: How high a priority would you be giving to the fighting of organized crime?

THE PRESIDENT. I think quite high. When I was Governor, we organized a substantial effort to fight organized crime. And we detected the interrelationship between gambling, which a lot of people assume is just a normal part of life, prostitution, which some people think is not too bad, the distribution of drugs, which is condemned by almost everyone, and other forms of illegalities. And the upshot

Senate today, will have overall supervision over Justice Department efforts in fighting crime. To this end, Flaherty will bear the prime responsibility for the activities of the Criminal Division of Justice, the Federal Bureau of Investigation, the Law Enforcement Assistance Administration, and the Drug Enforcement Administration.

Both the President and the Attorney General endorse the principle of concentrating Federal law enforcement efforts on attacking large, organized crime operations, instead of focusing on minor offenders. They are particularly concerned about curtailing the activities of large-scale narcotics traffickers. In this connection, a study is underway on the advisability of making the Drug Enforcement Administration part of the FBI as a means of stepping up the fight against narcotics.

They believe these efforts must take place with the close involvement of local and State law enforcement agencies, since this is where most of the resources for fighting crime are located. The administration looks in this regard toward a national program in which all levels of government would cooperate to produce the maximum reduction of crime.

The administration also places a high priority on fighting white-collar crime. To promote this effort, programs will shortly begin within the FBI to train and recruit more accountants, computer specialists, and other experts, so as to increase the FBI's effectiveness in uncovering and successfully helping to prosecute intricate fraud, financial manipulations, and other white-collar crime.

The Attorney General will report to the President as aspects of his anti-crime program are developed.

of our analysis was that they are very closely interrelated.

Profits from gambling, profits from prostitution and other more acceptable kinds of crime, in some people's minds, are directly used to enhance the distribution of heroin and other drugs. So, I think it is a very serious problem. It is one that we ought to address from a national level. And one of the crucial elements that can be improved is to have local, State, and Federal law enforcement agencies cooperate in a much more effective fashion in exchange of ideas and information and, also, in the prosecution of criminals.

MR. CORMIER. Thank you, Mr. President.

THE PRESIDENT. Thank you very much.

NOTE: President Carter's fourth news conference began at 2:30 p.m. in Room 450 of the Old Executive Office Building. It was broadcast live on radio and television.

Indochina Refugees

Letter to Congressional Committee Chairmen Transmitting a Report. March 24, 1977

In accordance with the provisions of the Indochina Migration and Refugee Assistance Act of 1975, I am reporting to you on the status of refugees from Cambodia and South Vietnam.

As my report to you shows, we continue to make substantial progress in the resettlement and assimilation of the Indochina refugee into American life. This quarter as in the past quarter our attention has been focused particularly on the development of marketable job skills and English language proficiency for the resettled refugee. The refugees authorized under the expanded parole program have now all entered the United States and have been placed with sponsors. Soon the

great majority of refugees will be entitled to apply for permanent resident alien status, the first step toward citizenship.

I want to thank the voluntary agencies, the public and private institutions, and the many individual families that have contributed so generously to this program. I am confident that with their assistance we will bring this humanitarian effort to a successful conclusion.

Sincerely,

JIMMY CARTER

NOTE: This is the text of identical letters addressed to the Honorable James O. Eastland, chairman, Senate Committee on the Judiciary; the Honorable Peter W. Rodino, chairman, House Committee on the Judiciary; the Honorable John J. Sparkman, chairman, Senate Committee on Foreign Relations; the Honorable Clement J. Zablocki, chairman, House Committee on International Relations; the Honorable John L. McClellan, chairman, Senate Committee on Appropriations; and the Honorable George H. Mahon, chairman, House Committee on Appropriations.

The report is entitled "Task Force for Indo-China Refugees, Report to the Congress, March 21, 1977."

The letter was not issued in the form of a White House press release.

Department of Agriculture and Commodity Credit Corporation

Nomination of Robert H. Meyer To Be an Assistant Secretary of Agriculture and a Member of the Board of Directors of the Corporation. March 25, 1977

The President today announced that he will nominate Robert H. Meyer of Brawley, Calif., to be an Assistant Secretary of Agriculture (Marketing Services) and a member of the Board of Directors of the Commodity Credit Corporation. Meyer is owner of Bob Meyer Farms and is president of Meyer Ranches and Cattle Co. in Brawley, Calif.

Meyer was born February 24, 1933, in Evanston, Ill. He received a B.S. degree

from the University of Colorado in 1954.

He is currently a member of the board of directors of Cotton, Inc., the Western Cotton Growers Association, the Imperial Valley Conservation Research Center, and the Colorado River Cotton Growers Association. He was president of the latter organization for 5 years.

He is a former vice chairman of the Imperial County Agricultural Stabilization and Conservation Service and a former vice president of the Imperial County Farm Bureau. Meyer has served on the advisory committee to the California Safety and Health Standards Board for Agricultural Safety.

United Nations

Nomination of James F. Leonard, Jr., To Be Deputy U.S. Representative. March 25, 1977

The President today announced that he will nominate James F. Leonard, Jr., of New York, N.Y., to be the Deputy Representative of the United States to the United Nations, with the rank and status of Ambassador Extraordinary and Plenipotentiary. Leonard is president of the United Nations Association in New York.

He was born May 30, 1920, in Osborne, Pa. He received a B.S. from Princeton University in 1942 and took courses in Soviet studies at Harvard in 1952-53 and in Chinese studies at Columbia University in 1963-64. Leonard speaks French, Russian, and Mandarin Chinese.

He served in the U.S. Army Corps of Engineers from 1942 to 1946 and was an engineer with the Army Map Service from 1947 to 1948.

He entered the Department of State in the Courier Service in 1948. From 1949 to 1951, he served as Economic and Political Officer in Damascus, and from

1953 to 1955 he was Political Officer in Moscow.

Leonard served as Political Officer at NATO in Paris from 1955 to 1957. He took Chinese language training at the Foreign Service Institute and Taichung Field School from 1957 to 1960, and from 1960 to 1963 he was Political Officer in Taipei.

He served in the Bureau of Intelligence and Research as Deputy Director of the Office of Research and Analysis for Far Eastern Affairs in 1965 and 1966, and as Director of the Office of Strategic Research from 1966 to 1968. He was Country Director for Korea in the Bureau of East Asian and Pacific Affairs from 1968 to 1969.

From 1969 to 1973, Leonard was Assistant Director of International Relations in the Arms Control and Disarmament Agency, and from 1969 to 1971 he served concurrently as head of the United States delegation to the Conference of the Committee on Disarmament in Geneva. He was vice president for policy studies at the United Nations Association in New York from 1973 until 1974, when he became president of the Association.

Department of Housing and Urban Development

*Nomination of Chester C. McGuire, Jr.,
To Be an Assistant Secretary.
March 25, 1977*

The President today announced that he will nominate Chester C. McGuire, Jr., of Berkeley, Calif., to be Assistant Secretary of Housing and Urban Development (Fair Housing and Equal Opportunity). McGuire is vice president and secretary

of Berkeley Planning Associates, president of McGuire Associates, and an assistant professor in the department of city and regional planning of the University of California at Berkeley.

McGuire was born in Gary, Ind., on October 29, 1936. He received an A.B. degree from Dartmouth College in 1958 and an M.B.A. (1964) and Ph. D. (1974) from the University of Chicago Graduate School of Business.

He served in the Navy from 1959 to 1962, and from 1962 to 1964 he was a financial analyst for the Inland Steel Co. in Chicago. From 1965 to 1968, McGuire worked as an economist for the Real Estate Research Corp.

McGuire served as vice president and general manager of the Winston A. Burnett Construction Co. in San Francisco from 1968 until 1970, when he joined the faculty at Berkeley. He has been vice president and secretary of Berkeley Planning Associates and president of McGuire Associates since 1972.

McGuire was elected to the board of directors of the Alameda-Contra Costa Transit District in 1974. From 1973 to 1975, he served as chairperson of the Berkeley Master Plan Revision Committee.

McGuire has been a program and policy consultant to HUD on housing issues and a consultant to financial institutions, advising in regard to lending practices in older central city areas. He has also served as a consultant to the city of San Francisco, the Metropolitan Transportation Commission, the Berkeley Neighborhood Traffic Study, the East Palo Alto 701 Planning Programs, the U.S. Army Corps of Engineers, and the Association of Bay Area Governments. He has had numerous articles published on housing, transportation, and urban subjects.

Department of Housing and Urban Development

Nomination of Geno C. Baroni To Be an Assistant Secretary. March 25, 1977

The President today announced that he will nominate Geno C. Baroni of the District of Columbia to be Assistant Secretary of Housing and Urban Development (Neighborhood and Consumer Affairs). Monsignor Baroni is president of the National Center for Urban Ethnic Affairs.

He was born in Acosta, Pa., on October 24, 1930. He received a B.A. degree in 1952 from Mount St. Mary College and attended the seminary there from 1952 to 1956.

Between 1956 and 1960, Baroni was assistant pastor at St. Columba Church in Johnstown, Pa., St. Leo's Church in Altoona, Pa., and Sacred Heart Church in Altoona, and an instructor at Catholic High School in Altoona and Johnstown.

From 1960 to 1965, he was assistant pastor at Saints Paul and Augustine Church in Washington, D.C. From 1965 to 1967, Baroni was executive director of the office of urban affairs of the Archdiocese of Washington. He was director of the U.S. Catholic Conference from 1967 to 1970.

In 1971 Baroni established the National Center for Urban Ethnic Affairs, and he has served as president since then.

Baroni is program director of the Urban Task Force of the U.S. Catholic Conference and a founder of the Miners' Legal Defense Fund, the Urban Rehabilitation Corporation, the Catholic Conference on Ethnic and Neighborhood Affairs, and the Italian-American Foundation.

He has been a consultant to White House conferences on youth, civil rights,

and hunger and nutrition, and organized the White House conference on ethnicity and neighborhood revitalization.

Baroni is a member of the executive committee of the National Urban Coalition and is on the board of trustees of Common Cause, the Catholic Committee on Urban Ministry, and the Committee for Responsive Philanthropy.

He was named a Prelate of Honor by Pope Paul VI in 1970. In 1976 he received the Civil Rights Award of the American Veterans' Committee.

Digest of Other White House Announcements

The following listing includes the President's daily schedule and other items of general interest as announced by the White House Press Office during the period covered by this issue. Events and announcements printed elsewhere in the issue are not included.

March 18

The President and Mrs. Carter dined at the White House with Secretary of State and Mrs. Cyrus Vance, former Secretary of State and Mrs. Henry A. Kissinger, and Zbigniew Brzezinski, Assistant to the President for National Security Affairs.

March 19

The President met at the White House with Dr. Brzezinski.

The President attended the annual Gridiron Dinner at the Capital Hilton Hotel.

March 21

The President met at the White House with:

- Dr. Brzezinski;
- the Cabinet;

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- Assistant to the President James R. Schlesinger;
- members of the Ford Foundation Panel on “Nuclear Power—Issues and Choices.”

In honor of American Agriculture Day, the President had lunch in the Roosevelt Room with five farmers and the Deputy Secretary of Agriculture, John C. White. The farmers were: James T. Frazier of Bucksport, S.C., Homer Foster of Merville, Iowa, Tom Davis of Coule City, Wash., W. Robert Hawrigan of Fairfield, Vt., and Jose Hinjose of Edcouch, Tex. Also at the luncheon were Vice President Walter F. Mondale, Senator Herman E. Talmadge of Georgia, and Representative Thomas S. Foley of Washington.

March 22

The President met at the White House with:

- Dr. Brzezinski;
- the Democratic congressional leadership;
- Senator Daniel K. Inouye of Hawaii;
- Prime Minister Fukuda of Japan;
- Vice President Mondale, Adm. Stansfield Turner, Director of Central Intelligence, and Dr. Brzezinski;
- Vice President Mondale;
- Dr. E. F. Schumacher, author of “Small is Beautiful, Economics as if People Mattered;”
- the National Security Council.

March 23

The President met at the White House with:

- Dr. Brzezinski;
- senior White House staff members;
- Representative John H. Dent of Pennsylvania;
- Charles L. Schultze, Chairman of the Council of Economic Advisers;
- Vice President Mondale, Harold Brown, Secretary, and Charles W. Duncan, Jr., Deputy Secretary, De-

partment of Defense, and the Joint Chiefs of Staff;

- R. F. Botha, Ambassador of South Africa;
- Mr. Lance.

In a ceremony in the Oval Office, the President received diplomatic credentials from Ambassadors Karl Herbert Schober of Austria, Jorge Cauas of Chile, John Peter Mbogua of Kenya, Daouda Kourouma of Guinea, and Musa Simon Kunene of Swaziland.

March 24

The President met at the White House with:

- Dr. Brzezinski;
- members of the Georgia congressional delegation;
- William J. Rogers, national commander, and William F. Hauck, national adjutant, American Legion, and Raymond T. Mills, aide to the national commander;
- Mr. Lance;
- Secretary of Transportation Brock Adams and Alan S. Boyd, Special Ambassador for the United States-United Kingdom air services agreement negotiations;
- George Meany, president, and J. Lane Kirkland, secretary-treasurer, AFL-CIO;
- former President Gerald R. Ford.

The President attended a foreign policy briefing by Dr. Brzezinski in the Family Theater for members of the Cabinet and their spouses.

The President hosted a dinner for Speaker of the House and Mrs. Thomas P. O'Neill, Jr.

March 25

The President met at the White House with:

- Dr. Brzezinski;
- Roger L. Stevens, Chairman of the John F. Kennedy Center for the

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Performing Arts, Senator Harrison A. Williams, Jr., of New Jersey, and Donald S. MacNaughton, chairman of the Corporate Fund for the Performing Arts at the Kennedy Center, to discuss financial support for the Center;

—Mr. Lance;

—Dr. Schultze;

—Vice President Mondale, Admiral Turner, and Dr. Brzezinski;

—Vice President Mondale, Secretary of Health, Education, and Welfare Joseph A. Califano, Jr., and Dr. Schultze.

The White House announced that the President this morning received a letter signed by 57 Senators supporting his position on human rights and individual freedom. The letter was delivered by Senator Howard Metzenbaum of Ohio on behalf of all the signers.

The White House announced that President Anwar al-Sadat of Egypt has accepted the President's invitation to make an official working visit to Washington on April 4-5.

The President left the White House for a weekend stay at Camp David, Md.

NOMINATIONS SUBMITTED TO THE SENATE

The following list does not include promotions of members of the Uniformed Services, nominations to the Service Academies, or nominations of Foreign Service officers.

Submitted March 21, 1977

MATTHEW NIMETZ, of New York, to be Counselor of the Department of State.

HERBERT J. HANSELL, of Ohio, to be Legal Adviser of the Department of State.

W. MICHAEL BLUMENTHAL, of Michigan, to be United States Governor of the International Monetary Fund for a term of 5 years and United States Governor of the International Bank for Reconstruction and Development for a term of 5 years; a Governor of the Inter-American Development Bank for a term of 5 years; and United States

NOMINATIONS—Continued Submitted March 21—Continued

Governor of the Asian Development Bank and United States Governor of the African Development Fund.

JEROME KURTZ, of Pennsylvania, to be Commissioner of Internal Revenue, vice Donald C. Alexander, resigned.

DAVID EMERSON MANN, of Maryland, to be an Assistant Secretary of the Navy, vice H. Tyler Marcy, resigning.

HARRY K. SCHWARTZ, of Pennsylvania, to be an Assistant Secretary of Housing and Urban Development, vice Sol Mosher, resigned.

DONNA EDNA SHALALA, of New York, to be an Assistant Secretary of Housing and Urban Development, vice Charles J. Orlebeke, resigned.

Submitted March 22, 1977

JOHN C. STEWSON, of Illinois, to be Secretary of the Air Force, vice Thomas C. Reed, resigning.

ARTHUR VERNON WEAVER, JR., of Arkansas, to be Administrator of the Small Business Administration, vice Mitchell P. Kobelinski, resigned.

Submitted March 23, 1977

MICHAEL PERTSCHUK, of the District of Columbia, to be a Federal Trade Commissioner for the unexpired term of 7 years from September 26, 1970, vice Stephen A. Nye, resigned.

ROBERT CARSWELL, of New York, to be Deputy Secretary of the Treasury, vice George H. Dixon, resigned.

Submitted March 24, 1977

DALE ERNEST HATHAWAY, of the District of Columbia, to be an Assistant Secretary of Agriculture, vice Richard E. Bell, resigned.

DALE ERNEST HATHAWAY, of the District of Columbia, to be a member of the Board of Directors of the Commodity Credit Corporation, vice Richard E. Bell, resigned.

Submitted March 25, 1977

CHARLES WILLIAM MAYNES, JR., of New York, to be an Assistant Secretary of State.

BARBARA M. WATSON, of New York, to be Administrator, Bureau of Security and Consular Affairs, Department of State.

JAMES F. LEONARD, JR., of New York, to be the Deputy Representative of the United States

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NOMINATIONS—Continued

Submitted March 25—Continued

of America to the United Nations, with the rank and status of Ambassador Extraordinary and Plenipotentiary.

CHESTER CRAWFORD MCGUIRE, JR., of California, to be an Assistant Secretary of Housing and Urban Development, vice James H. Blair, resigned.

GENO CHARLES BARONI, of the District of Columbia, to be an Assistant Secretary of Housing and Urban Development, vice Constance B. Newman, resigned.

ROBERT HALDEMAN MEYER, of California, to be an Assistant Secretary of Agriculture, vice Richard L. Feltner, resigned.

ROBERT HALDEMAN MEYER, of California, to be a member of the Board of Directors of the Commodity Credit Corporation, vice Richard L. Feltner, resigned.

MICHAEL PERTSCHUK, of the District of Columbia, to be a Federal Trade Commissioner for the term of 7 years from September 26, 1977 (reappointment).

**CHECKLIST OF WHITE HOUSE
PRESS RELEASES**

The following releases of the Office of the White House Press Secretary, distributed during the period covered by this issue, are not included in the issue.

CHECKLIST—Continued

Released March 22, 1977

Summary and fact sheet: the President's message to the Congress proposing the Universal Voter Registration Act of 1977

Released March 23, 1977

Fact sheet: Federal drought assistance—fiscal year 1977

News conference: on the President's message to the Congress on administrative actions and legislative proposals to provide assistance to drought-stricken Western and Plains States—by Secretary of the Interior Cecil D. Andrus and Secretary of Agriculture Bob S. Bergland

Announcement: reduction of authorized salary increases for White House personnel

**ACTS APPROVED BY
THE PRESIDENT**

Approved March 1, 1977

H.J. Res. 269----- Public Law 95-13
A joint resolution making an urgent supplemental appropriation for the fiscal year ending September 30, 1977, for disaster relief.

Approved March 24, 1977

H.R. 2647----- Public Law 95-14
An act to amend the Small Business Act and the Small Business Investment Act of 1958.

PRESIDENTIAL DOCUMENTS

Week Ending Friday, April 1, 1977

Swearing-In Ceremony

Remarks at the Swearing In of the Deputy Director of the Office of Management and Budget, an Assistant Secretary of Agriculture, and the Director of the United States Information Agency. March 25, 1977

This afternoon, we have a very delightful ceremony to perform, one that gives me a great deal of pleasure and also a great deal of pride.

We have three superbly qualified people who will play a major role in the evolution of policy and the carrying out of those policies in our country during the next 4 years.

The first one I'd like to introduce to the group is Jim McIntyre, from Georgia, a superbly qualified young man who helped me from the very initial stages of my own administration as Governor. He was the legal counsel for the reorganization effort in our own State, which I think was successful. He was the director of the office of planning and budget. And he helped me to evolve long-range policies that tied together the State government with the local governments of our State, and also related to the Federal Government itself.

So, in the system of federalism, Jim McIntyre is well qualified. He knows my strengths, whatever they are, and he

knows my weaknesses, as well; knows how to cover up for them. He's bringing to the Federal Government the knowledge that will be crucial as Deputy Administrator [Director] of OMB, Office of Management and Budget. He will have a primary responsibility in the implementation of zero-base budgeting and the evolution of reorganization plans for our Nation.

When Prime Minister Trudeau was here, he said living next to the United States was like sleeping with an elephant—you could hear all the grunts, and every twitch was important to you. And Jim McIntyre is almost in that position working under Bert Lance. [Laughter] But, I think, he's strong enough and tough enough to hold his own, to give me guidance, and to deal with his boss.

So, I'm very proud, Jim McIntyre, that you are here, and I'm very glad, Maureen, that you are help to help us.

The next person I'd like to introduce is Carol Foreman. Those of the news media who traveled with me extensively during the last 2 years know that I said hundreds of times that what's best for the family farmer is exactly what's best for the consumers of our country.

This is kind of an innovative thing for the U.S. Department of Agriculture—to have a strong, competent, forceful spokesman for consumers, actively involved in

protecting consumers within the structure of the Agriculture Department itself.

She has a major role to play as Assistant Secretary. She will be certifying to the homeowners of this country the quality of major food items. And she has complete freedom and direct instructions from me to be a strong and able advocate of consumer progress in the future. And also, I know that she has a very deep yearning to represent the farm families as well.

One of the things that I'm very deeply grateful to her for is being able to achieve this good balance. She's also provided some excitement in my life. In the last few days, once the Paul Warnke—as he said—roadshow died down, Carol Foreman filled in the gap, and she's now come through with flying colors. And I guess the only thing I can do in the future is to turn back to a few more dam projects to keep excitement going on around Washington.

As I told the people in Massachusetts, my food bill for the first 10 days was \$600 in the White House. That's just me and my family and our personal guests, no entertainment. And Carol, I'd like for you to take on the responsibility of helping me hold down the food bill in the White House, too.

But I'm very grateful she's willing to serve, and, I think, she will add a sense of reassurance to consumers in our country that their interests are being well cared for. And the farm families of this country will also know Carol Foreman as a friend and a very fine administrator.

The last person I'd like to introduce is John Reinhardt. He has a major responsibility, and that is to let the people in other nations of the world know what our country is and what our country hopes to be. He's had a distinguished career as Ambassador to Nigeria, I believe. So, he knows the diplomatic field very well.

He knows the field of journalism and, I think more importantly of all, he knows the American people. He knows our system of government. He knows our faults and our defects, and he knows our strengths and our potential strengths.

And I'm very glad that these three people have been willing to serve in Government in these crucial and important positions.

And now, Mr. Linder will administer the oath of office.

NOTE: The President spoke at 2 p.m. in the Rose Garden at the White House. Following his remarks, Chief Executive Clerk Robert D. Linder administered the oath of office.

Interview With the President

Remarks and a Question-and-Answer Session With a Group of Publishers, Editors, and Broadcasters. March 25, 1977

THE PRESIDENT. First of all, let me say that I am very grateful that you would all come to Washington and particularly get acquainted with Jody Powell and talk to the different members of our staff and Cabinet about matters that are important to you. I know that you've had a chance to talk to Dr. Schlesinger and will be meeting with different people here in the White House and in other parts of Washington this afternoon.

It's very important to our administration to have the people of the country know what we are trying to do, and also to have some accurate assessment here in the White House about how the people feel about different issues that are so important to them. And we've seen that journalistic leaders like yourselves has been the best avenue for this exchange of crucial information in a democratic society.

ADMINISTRATION POLICIES

I've been in office now a little over 2 months, and we've had, I think, a beginning, at least, for some substantial changes in domestic and foreign policy; also in the relationship that exists between the White House and the people of our Nation, between the White House and the Congress.

We've made some progress on many of the projects that we've undertaken: Government reorganization; zero-based budgeting; energy policy evolution; reorganization of the Energy Department; an effort in the Eastern Mediterranean, Turkey, Cyprus, and Greece; reestablish relationships with Vietnam; opening communications up with Cuba; a new start on SALT negotiations; a strengthening of our NATO position militarily; a reemphasis on close consultation with our allies and historical friends. These kinds of things are well underway.

Secretary Vance will be coming by in just a few minutes to have a brief discussion before he leaves for the Soviet Union. He'll be reporting to our allies in Europe on the results of his trip. We have hope that it will be a successful trip. So far we've had good cooperation from the Soviet leaders in arranging the agenda. They've not put on any pre-conditions; they've left it completely open to us, and we to them. So, there is a good spirit, I think, that surrounds this trip.

The last point I'd like to mention before I answer questions is that in the field of foreign affairs, at least in the Middle East, we see the potential progress in 1977 as being uniquely hopeful. We have strong indications that the Arab leaders want to reach a substantial agreement. I think, compared to previous periods, they are very moderate in their general philosophy and in their attitude toward Israel at this point compared to their predecessors,

possibly compared to their successors when that happens.

And I believe that our country is willing this year to devote a great deal of attention to that crucial problem, and I know I am, personally, and the Department of State and my own staff, as well.

Southern Africa—we've got three simultaneous questions: one in Namibia, one in Rhodesia and, ultimately, South Africa itself.

On the domestic scene, we've become involved in long-range analyses of how to deal with inflation and unemployment simultaneously. I hope that what I consider to be a modest stimulation package will go through the Congress substantially in its present form. And within the next couple of weeks, we will make a major presentation to the country, to the Congress on controlling inflation.

These matters are sometimes in conflict with one another, as you can well see, but we're trying to balance them properly. And I announced yesterday in a press conference something that's obvious: that the authority and the power and leadership capabilities of any President are derived almost completely from the support that I have from the people of the country.

And if there has been one—been a broad-based criticism of me so far, it's that I've told the people too much and have been too frank in discussing matters that in the past were both sensitive and secret. I don't have any qualms about what I've done. I think that I've taken the right position, and when I have made a statement, it's been very carefully considered. And I might say that we have a very close working relationship and almost complete compatibility between myself and Dr. Brzezinski and Secretary of State Vance, the Secretary of Defense, the Secretary of Treasury, the Council of Economic Advisers. And this

has not always been the case in our Government in the past. So, we do have a close working relationship so far, and I think it's improving as time goes on.

I think now I'd like to answer your questions.

QUESTIONS

MIGRATION OF AMERICANS

Q. Mr. President, within the last few days you've been dealing with water. Many in the Southwest, as I am, are very concerned about that. There is a growing concern or question about whether you, as the head of the Government, are giving any thought to dealing with some of the rumblings about inhibiting or trying to slow down migration from the colder weather areas to the drier, warmer areas. And I'd like to have your comment on that.

THE PRESIDENT. No, I'm not trying to modify the movement of Americans from one part of our country to another. I don't think I could do it if I wanted to, and I have no inclination to do it, and I've never discussed this subject with any member of my staff either before or after inauguration.

Q. It's been suggested that may have to be done, though, to solve part of the water shortage problem.

THE PRESIDENT. I agree. Obviously, there are some matters that will have to be addressed in the future. I don't see any particular problem with that yet. Obviously, the expenditure of \$1 billion to \$2 billion to transport large quantities of water from one part of the Nation to another—the result of which might be massive recruitment of additional population concentrations—is something that is there. Whether it's advisable, I don't know.

My own general inclination is that people will go, you know, where they

want to live, and I ought not to interfere with it. But for the taxpayers all over the country to make it possible for additional heavy concentrations of people to live in an area which can't naturally support a large population, is something that I doubt.

We've got about 328 [307] water projects now approved for the Department of Interior, Bureau of Reclamation and the Corps of Engineers. We are reassessing the need for, I think, 31 [30] of them. I'm trying to keep an open mind about them. The reassessment will be completed by April 15.

I have personal doubts about the need for any of those projects, but I'm not trying to draw a conclusion yet. And I might add that even if I do draw a conclusion that a project is not needed, that's no guarantee that the Congress will go along with me on terminating funds. But the effort that I've made in this area has not been designed to control population at all.

Q. To clarify, you're saying water importation is not practical at this point, at least in your view?

THE PRESIDENT. I don't think either practical or desirable.

FARM SUPPORT PROGRAMS

Q. Sir, in your farm program, why have loan levels and target prices not met the costs of production?

THE PRESIDENT. I think they have. The loan—the support price is not designed to meet the cost of production. The support price is designed to meet the international competition for the same commodity, so that we can move our goods, at the support price level, in international trade. And that applies to wheat, corn, soybeans; it also applies to cotton, to rice, and to other commodities.

The income support level has been very carefully analyzed by me and by Bob

Bergland, by my own Council of Economic Advisers, and by the economists in the Department of Agriculture, working with agricultural economists in many of the universities around the country, the land grant colleges.

We believe that we have recommended to the Congress an income support level—which is different from price supports, now—that will meet production costs. We can't guarantee that the very inefficient farmer can produce a bushel of wheat as efficiently as one that has extremely rich land and unlimited supplies of water, and so forth. But on an average—and we've done it fairly conservatively, I think—we've come up with the accurate cost.

I'll just give you one example, in order to save time. Wheat: The economists have computed that the actual out-of-pocket costs for the production of a bushel of wheat is \$2.20. We added on 17 cents a bushel for a management fee. That would include gasoline for pickup trucks, and so forth—17 cents a bushel.

We also took the value of land as best we could determine it on a nationwide basis and figured that 1½ percent of the value of land would legitimately be included in the price of the cost of production of a bushel of wheat. And we came up with a total of \$2.60.

I think that's adequate, that the higher level of price supports that have been advocated by some farm groups and some Members of Congress would be extremely expensive. We're talking about an annual cost, with the proposal that we put forth, of about—I can't remember the exact figures, about \$1.1 billion. The more liberal allotment of farm price income supports would be like \$3½ billion to \$4 billion a year in costs to the taxpayers of this country.

I have always said, in all my presentations to farm groups around the country, that I would never recommend, as Presi-

dent, a profit for farmers to be supported by the taxpayers and consumers of this country. I would advocate a program that would meet production costs only.

Now, I believe that we've got the accurate production costs. Bob Bergland can give you a more detail analysis, if you wish it—and you can write him and he'll give it to you—about how we got the \$2.20 of actual out-of-pocket costs, the 17-cents-a-bushel management fee, and the 1½ percent return on investment in land is really an arbitrary decision that we made.

I might say one other thing. I'm a farmer myself. I've lived with production costs, and I've lived with price supports all my life. When land values go up, there is a real doubt about whether those land value increases should be considered a cost to the farmer or an income to the farmer. And I think we were quite liberal in saying that the 1½ percent of the land value as a cost to the farmer should be included in the formula.

I know that one of the things that have kept me going, and a lot of other farmers in tough times, has been the increase in the value of my land. If land values were going down, it would be very difficult for a person that had bought the land on credit or had owned it as an inheritance. But with land values going up, that's really kind of a help to the farmer and not a cost to the farmer.

But those are the factors that we used, and I think it's a fairly substantial program, and I think it's adequate, although it does not suit many of the farm leaders. I realize that.

INCOME TAX RETURNS

Q. Mr. President, in regards to your drive on the waste of paper in the Government, all the forms that have to be filled out, we're also reaching the time of the

IRS period of April. Can something be done to simplify for the average individual the Internal Revenue form that they must fill out each year? They tried to revise it several years ago, and last year, and the one that came out this year is even more complicated for the average individual.

THE PRESIDENT. That's right. There is no way that I can modify the form for the 1976 income tax returns. That's already been fixed in the law and the form can't be modified. It is grossly complicated.

I can guarantee you that when you fill out your income tax form for 1977, it will be much simpler. There is no doubt about it. If I don't do that, I will have broken my word of honor. And I don't intend to break it.

MINIMUM WAGE

Q. Yesterday, Mr. President, you surprised the small business community with a minimum wage package which was below the union projections. Number one, was there some philosophy behind that lower wage, and number two, were the union leaders aware of your feeling prior to the announcement?

THE PRESIDENT. The answer to the first question is yes. The answer to the second question is no. I'll tell you what the philosophy was. I think it's been a mistake historically for us to have the minimum wage level slowly drop over a period of years, compared to the cost of living. And then we've gotten way behind with those very low-income earners and then—they're the ones who suffer most—and then we've had a substantial increase in the minimum wage which brought them up to where they should be. But it's been quite a shock to the economic system, and it's also created a great deal of political confusion and animosity.

I favor the concept of indexing so that every year you have an automatic increase

in the minimum wage depending upon manufacturers' average wages.

I went back to 1938 when the minimum wage was 40 cents. That's when I got my first job at the minimum wage, 40 cents an hour. Since 1938 the average minimum wage compared to the manufacturers' average wage has been almost exactly 50 percent.

It has varied from, I think, from 41 percent up to the high of 56 percent, but the average has been 50 percent.

So, what I decided, and I hope my position will prevail, is to move this July to establish a minimum wage permanently at 50 percent of the previous year's average manufacturers' wage. And so, that's the philosophy behind it.

I didn't consult with anyone outside of my own administration. I talked to my economic advisers. I talked to Ray Marshall, the Secretary of Labor, who wanted a higher level. I met yesterday morning, I think, with Congressman Dent, who wanted a much higher level. And I made my own decision. Now, whether that decision will prevail in the Congress, I can't say. I might add one other thing that was erroneously reported: that the Secretary—I mean that President Meany came over here yesterday afternoon and complained about it. He did not complain about it at all. He came over to talk to me about the inadvisability of permitting Communist trade unionists to come into our country without constraints.

But I've never tried to mislead anyone. And on the situs picketing bill, I had earlier announced, throughout my campaign, that I would not work for the situs picketing bill. I did not work for it or against it.

And on the minimum wage, I think it's a reasonable level, as is the case with the farm price supports. I think that in both instances they are fair, not overly infla-

tionary, and they don't please people that are extremes on either side of the argument.

WATER RESOURCE PROJECTS

Q. Mr. President, would you care for a moment to get back to the water projects. You've expressed some personal doubt, I believe. Could you be more specific in that area? And, secondly, in the State of Utah, a lot of people feel that perhaps your drought relief is being a little bit inconsistent in terms of the money that's already been spent on a lot of these projects. Would you address yourself to these questions, sir?

THE PRESIDENT. Well, I really am not prepared to address individual projects, although I have had individual projects brought to my attention by some of the Members of Congress. [*Laughter*]

But I'd really rather keep an open mind. It's obvious that if I hadn't had doubts about these projects I would not personally have advocated their reassessment. But I don't really know all the factors involved. I intend to know them by April 15.

But we want to have public hearings around the country, let Members of Congress, Members of the Senate, Chambers of Commerce, newspaper—news media representatives and environmentalists and farmers and others come and testify. I'll study that testimony, a lot of it personally, and then make my own decisions about a permanent commitment for or against those projects. I'm fairly determined about the projects.

If I should recommend that a project be terminated, and if I should not prevail this year, I then would pursue that effort next year. I can't hope to prevail in every instance, but I would rather not comment on an individual project now.

MINORITY BUSINESSES

Q. Mr. President, if I may, I'd just like to thank you for allowing weekly publishers to come in and participate in this administration. This is a new day as far as weekly publishers are concerned. We want to thank you.

The last 2 months of my observation is that you have a philosophy of equitable treatment, and I think you would be commended for that. However, we have grave concerns over the Office of Minority Business Enterprises.

THE PRESIDENT. Yes, so do I.

We have grave concerns over the relevancy of that particular office. Those countless numbers of blacks who are attempting to go in business seem designed for failure. There are, I think, two laws, Executive Order 11246 and, I think, 11245. How do you envision handling that? I mean, what can we expect? If you do as you have done during the last 2 months, we will fare well, but we'd like to get some sense of your guidance in this.

THE PRESIDENT. Well, I have personal experience with that. I went home from the Navy way back before a lot of you were born, in 1953. I didn't have any money. I didn't have any business training. I was a professional naval officer and a nuclear physicist. I lived in the Government housing project. The rent was \$31 a month. And I didn't make enough money in my first year to pay my house rent. I sold fertilizer on credit. And we had a terrible drought, the worst one we've ever had in Georgia—it was 1954. And then the following year, my wife went to work fulltime with me keeping books. The third year I hired one employee. And I soon saw that my own remarkable talents weren't matched with the financial resources I had to expand, so I went to the

Small Business Administration. They gave me a loan.

But by then I had built up a fairly substantial place in the community. I inherited a lot of substantiality from my father. And I think because of that, the Small Business Administration didn't just give me enough money to go broke—which they quite often do with people—they gave me a loan, and they assigned a very distinguished retired businessman from Atlanta who helped to start the Genuine Parts Company. He would come down to Plains and look over Carters Warehouse, which is my little business, and he would give me advice on accounts receivable, whether or not I had parts of my business that were wasteful, whether I was spending too much money on overhead, and then he would go back to Atlanta.

And I would consider what he recommended and try to put it into effect. About 3 months, and then he'd come back down to Plains—he'd let me know ahead of time—and just as a nonpaid adviser to me, he gave me a great deal of help. It was a voluntary thing on his part. He didn't even get any pay at all for it.

The minority business enterprise part of the small business needs to be rejuvenated. And, I think, we need to carefully assess the capabilities of the entrepreneur, both minority and otherwise. And when the Small Business Administration makes a loan, I think we ought to expand the volunteer counselor part of it so that every small business person, whether he's in the peanut warehouse business, like I was, or whether he's opened a service station or a laundry, ought to have somebody to come in there and kind of work with him like a big brother in business.

I believe this would help a lot to make sure that those loans are repaid. And I think it would make the local bank participation much more clearly assured. And we have a lot of retired business people

who are looking for something to do that's worthwhile and interesting.

So, that's part of it. The other part is the quality of people that administer the program. And I'll make sure that when the decision is made on the administrator of that program, it's someone that you can trust to do a good job for the small business people.

FEDERAL ENERGY PROGRAMS

Q. Mr. President, on energy, you have made some proposals for a new Federal energy agency. I understand in April you're going to make some more. Those are long-term proposals.

Two questions: What about people who, in the natural gas crisis that hit the Northeast a few months ago, are paying two, three hundred dollars a month when they were paying \$100? What help can they expect, if any, now, for this year? And if we have a cold weather winter next year as we did this time, as has been predicted, will we be prepared, or will we go through the same natural gas crisis again?

THE PRESIDENT. I can't guarantee that we'll be prepared next year because of several reasons. One, it takes a long time to change historical habits and trends and laws. Secondly, I don't know how the Congress is going to respond to my proposals on April 20. Third, I don't know whether or not the Congress will move expeditiously in setting up a new department of energy so that there can be some cohesion in the evolution and the consummation of energy policy. Fourth, I don't have any way to anticipate the severity of the winter next year. If it's very mild, we can handle it.

Fifth, we have had in the last number of years in natural gas and in oil production about a 6-percent reduction per year in domestic supplies. And my guess is that

no matter what we do, that downward trend is going to continue. We're just running out of oil and natural gas.

Another point is I'm going to move as aggressively as I can to force industrial users away from natural gas toward more plentiful supplies of fuel; I'd say primarily coal for stationary heat generation.

Natural gas, as you know, in some form—some factories, is used as a raw material and also as the only available heat source because of the need for clean-burning characteristics and so forth. So, I can't answer your question about that.

We had hopes that are not now going to be realized that we could put into effect the Government reorganization on establishing the department of energy before it was confused with an energy policy. But the Congress leaders, particularly the Republican leaders, have said they want to look at my energy policy before they'll go along with the establishment of a new department.

I think we can probably prevail in both instances if our proposals are good ones. And if I can convince the American people back in your communities that they're good, that's the best way to convince the Congress that they're good.

Q. Will there be short-term as well as long-term proposals in those policies?

THE PRESIDENT. Yes. We hope to initiate immediately a consciousness in America of the need for conservation. We hope to initiate changes in the law that will force conservation. We need to shift toward more plentiful supplies of energy as rapidly as possible and all these matters I hope would have not only immediate but long-term effect.

I'm personally not in favor of a very expensive, crash program to extract from our own resources additional rates of production of natural gas and oil. I think probably one of the best investments we can make is to keep oil and gas in the

ground and quit wasting what is produced.

So, we're putting together now what I'm sure you can see clearly is one of the most complicated proposals that's ever been devised in our country, because it involves both incentives, patriotic motivations, mandatory constraints, shifts of vast sums of potential profit, or consumer costs back and forth.

It involves every level of government. There is not a single person in this Nation that doesn't use energy as a crucial element of necessities of life.

It involves the most unforeseeable kinds of research and development, short-term and long-term. So we're going to do the best we can. And I'm sure that when we come up with a policy which I will reveal to the joint session of Congress on April 20, it'll be modified in the future. It's not going to be the final policy that will never be changed. It'll obviously be changed for the next hundred years. But I think it's going to be a good one. I've got the best man in the United States to do it; that's Dr. James Schlesinger. And I feel confident about him.

Q. Dr. Schlesinger told us this morning that one of the toughest problems in the new proposals, the new plan, will be the regional political differences. Are you planning to take a personal and strong position in doing something about that?

THE PRESIDENT. Yes, I do. The only thing I see that can be done is to put together the entire package, no single component of which might be attractive to a group, but if they see that in its entirety it's fair and that the sacrifice that that group might have to make is not out of proportion to the sacrifice that other people might have to make, in that way I think we can sell it.

If I came up with any single part of a comprehensive energy policy, even though it might have every good merit, I couldn't

put it across by itself. Regional differences are very significant. The differences between consumer and producing States is inherently one of conflict and difference.

I come from a consumer State. Georgia doesn't produce any significant quantities of energy—nothing but a little hydro-electric power. But now we've been very aggressive in trying to find oil off the coast. We have 600,000 acres of precious marshland that belong to all the citizens of Georgia. But we've already worked out with environmentalists, with the oil companies, with local and State officials and so forth, five different places along the coast of North and South Carolina and Georgia where we would like to bring oil ashore. We've already identified, with the approval of environmentalists and everybody else, five sites where oil refineries would be welcomed if oil is discovered. And we're trying to make plans accordingly.

Other States up here, like New Jersey, Maryland, and so forth, have said we don't want any oil explorations off our coast and, if it's discovered, we don't want to bring it ashore and refine it. Well, that's not a good attitude. So there is going to be some give-and-take on both sides.

SOLAR ENERGY

Q. How about a crash program to develop solar energy?

THE PRESIDENT. That's something that we are pursuing. Dr. Schlesinger may have told you, but yesterday we announced that the Center for the Solar Energy Research Institute will be in Colorado.

This is a recommendation that was made by a group of scientists, I think, in a completely nonpolitical way. And we will be establishing two or three or four regional centers around the country for the actual additional solar research.

The only one that we know about the location of will be in the New England area. The reason for that is access to the ocean to determine temperature gradients and so forth, the access to the very large tidal movements in the Maine area, and the high concentration of existing knowledge and research capability in Harvard, MIT, and so forth, the area around Boston.

But we expect to have some other regional centers in the future. And I think that the percentage increases at least in solar energy research will be the most dramatic of all. We're going to cut back drastically on the concentration involving the breeder reactor and a plutonium society.

ENERGY PROBLEMS

Q. As you were saying, there is a good chance we will have a winter energy crisis next year, too. Now what about bills and people who are still paying off this year's bills, fuel bills. Is there any provision for helping people meet these bills, for the very poor people in the Northeast, the lower middle class who are not on welfare, who are going to have trouble meeting their bills?

THE PRESIDENT. Yes, that's a question you asked me that I forgot to answer. I don't know how to answer that. The Congress has put forward a proposal, I think, of about \$223 million attached to the countercyclical aid program that would let money go to help those very poor families pay their fuel bills.

We feel that the \$50 tax refund will be a significant aid to families. And when and if it's forthcoming—about May—for the family in the \$10,000 bracket, this is about a 30-percent reduction in their 1976 income tax returns. And for those low-income families, that much of a cash refund is a very significant amount. For a person with an income level equivalent

to a newspaper editor's and so forth it's insignificant. *[Laughter]*

And I would guess that the winter that we've just experienced would not come along again in the next 100 years. In the 177 years that we've kept records, we've never had a winter that severe.

So, I think that's an extraordinary case, and I think we'll be much better prepared for it next year than we were. But I just can't guarantee that it still won't be a problem. I might say that there are so many things involved I can't go into detail. But mandatory insulation of homes and working through power companies to help pay for rapid insulation of homes is a very significant thing.

I'll just give you one quick example. The TVA program which used to be a very valuable demonstration project for progress and innovation has become dormant and just another power company in my opinion in the last 15 years or so. We expect to use the TVA again as a massive demonstration project. They are contemplating now, for instance, peak load payments where they put a little red light in everybody's kitchen. They have about 14,000 homes this way. That red light comes on when peak load is high. And if the housewife wants to wash—well, I guess the husband—wants to wash dishes—*[laughter]*—or wash clothes when that red light is on, it costs them a lot of extra money because the rate is higher. And if they'll use electricity when the red light is not on, then it doesn't cost them as much.

Another thing that they're trying to do is to pay for—TVA will pay for the blowing of insulation in attics and so forth to make sure that the house is more efficient. And then they charge for the electricity at the same monthly rate that existed last year. And the cost of the insulation is paid off by the difference between what electricity you used last year compared to what you save this year.

I hope you follow me. But that's the kind of thing that will be done. There are a lot of little tricks that you can use, some of them are voluntary, some of them are mandatory.

Q. If you take a look at the magnitude of the energy problem facing the United States now and in the near future and compare that with the—emerging the attributes of your energy program, the so-called sacrifices that are going to be made—are you concerned that there is quite a large gap between what's going to be proposed and what needs to be done?

For example, there is very little indication of much assault on the sprawling suburban lifestyle, on the commitment to individual mobility. Are you going to try to get at these kinds of factors?

THE PRESIDENT. Yes.

Q. And how?

THE PRESIDENT. Well, I can't answer your question on how yet. For instance, agriculture and transportation, that you've just described, are two aspects of the energy-use cycle that are very, very wasteful. And they will be part of the component parts.

Obviously, we can't fill in every detail, you know, in a brief period of time we've had to work on it. I promised when I was inaugurated that we'd have our report to the public in 90 days—3 months.

I was inaugurated on the 20th of January. We'll have the report the 20th of April. But we'll be continuing in the next 4 years to embellish upon and to implement the proposals that will be described on the 20th of April.

But I don't know how to answer your question better. We now waste as much energy that we can save as the total amount of oil imports that come into our country.

And through business and government and private homes, transportation, farming, we can save enormous quantities of

fuel for the same level of the quality of life that exists say in West Germany and Sweden, and other European countries, Japan.

We use about twice as much energy per person. So, we have a tremendous means to implement a good energy program just because we've been so wasteful in the past, but the detail of how we could realize substantial improvements yet remains to be seen.

Q. Thank you, sir.

THE PRESIDENT. Thank you very much. I've enjoyed it. I hope you have a good stay here.

NOTE: The interview began at 1 p.m. in the Roosevelt Room at the White House.

The transcript of the remarks was released on March 26.

Foreign Development Assistance

Letter to the Speaker of the House and the President of the Senate Transmitting Proposed Legislation. March 28, 1977

Dear Mr. Speaker: (Dear Mr. President:)

I am transmitting today a bill to authorize foreign development assistance programs for the fiscal years 1978 and 1979.

Enactment of this legislation will enable the United States to carry out an efficient and effective bilateral development assistance program which our international position and objectives require. This bill also authorizes appropriation of voluntary contributions to International Organizations whose programs are focused on the developing world.

The bill provides that development assistance shall be made available to the poorest countries on a grant basis to the maximum extent that is consistent with

the attainment of our development objectives. This proposal is consistent with the United States position at the UNCTAD IV Conference, which urged aid donor nations to provide the relatively least developed countries on the UNCTAD list with assistance on a grant rather than a loan basis. The bill creates separate authorizations for population planning and health programs, and a requirement that all development assistance programs be reviewed to assure that proper attention is paid to the relationship of these programs to worldwide population growth. The bill also contains an authorization of \$200 million for a long-term multidonor development plan for the Sahel. U.S. contributions to this program will be based on equitable burden-sharing with other donor countries.

Enactment of this legislation will be an important step in demonstrating our concern for the economic problems of the developing world. I urge its early passage.

Sincerely,

JIMMY CARTER

NOTE: This is the text of identical letters addressed to the Honorable Thomas P. O'Neill, Jr., Speaker of the House of Representatives, and the Honorable Walter F. Mondale, President of the Senate.

Security Assistance Programs

Letter to the Speaker of the House and the President of the Senate Transmitting Proposed Legislation. March 28, 1977

Dear Mr. Speaker: (Dear Mr. President:)

I am transmitting today a bill to authorize security assistance programs for the fiscal years 1978 and 1979. I consider these programs essential to the attainment

of important United States foreign policy goals throughout the world, and to reassure our friends and allies of the constancy of our support.

The programs authorized by this legislation include both military and economic forms of security assistance, with approximately two-thirds of the funds requested intended for nonmilitary programs. In addition, the bill provides for the continuation of our important international narcotics control efforts.

The authorizations I am proposing reflect downward adjustments this Administration has made in several programs in light of the human rights situations in the countries concerned. We are committed to a continuing effort to ensure that human rights considerations are taken fully into account in determining whether our security assistance programs serve our national security and foreign policy objectives.

I am not at this time proposing major changes in the authorities and statutory procedures which now govern security assistance and arms export controls. I have made clear on several occasions my deep concern over the burgeoning international traffic in arms. I am firmly resolved to bring greater coherence, restraint and control to our arms transfer policies and practices. To this end, I have ordered a comprehensive review of our policies and practices regarding both governmental and commercial arms exports.

We have already begun to discuss our preliminary ideas with members of the Congress, and will increase our consultations as we proceed with our policy review. When concluded, our review will provide the basis for the reports to the Congress mandated by sections 202 and 218 of the International Security Assist-

ance and Arms Export Control Act of 1976.

Our goal is to develop, in close consultation with the Congress, policies which respect our commitments to the security and independence of friends and allies, which reflect fully our common concern for the promotion of basic human rights, and which give substance to our commitment to restrain the world arms trade.

The completion of this process within the next few months will give both the Executive Branch and the Legislative Branch a sound foundation on which they can base a thoughtful reexamination of existing law and fashion needed legislative revisions which will complement our common policy objectives, ensure appropriate participation and oversight by the Congress, and provide clear authority for the efficient conduct of approved programs.

In the meantime, I urge the Congress to avoid legislative initiatives which could disrupt important programs or would hinder a future cooperative effort based on a thorough evaluation of the facts and policy considerations. In this spirit, I have requested only minimal changes in statutory authority and have amended my predecessor's budget only where necessary to bring the request into line with basic principles of this Administration. I urge the early passage of the enclosed legislation and look forward to joining in a productive effort with the Congress later this year to achieve constructive reform of the security assistance and arms export control laws.

Sincerely,

JIMMY CARTER

NOTE: This is the text of identical letters addressed to the Honorable Thomas P. O'Neill, Jr., Speaker of the House of Representatives, and the Honorable Walter F. Mondale, President of the Senate.

Mar. 28

Administration of Jimmy Carter, 1977

National Farm Safety Week, 1977

Proclamation 4494. *March 28, 1977*

*By the President of the United States
of America*

A Proclamation

Many of the men and women who founded our nation were farmers, and farmers were a major factor in turning this land from a wilderness to a great and productive nation. As we enter our third century, the majority of our people no longer live on farms, but each farmer and farm worker has a more vital role than ever before in our common welfare. Not only our own people in cities and towns, but millions of others around the world, depend on the food and fiber produced on America's farms.

Every year hundreds of thousands of farm and ranch residents suffer unnecessary injury, and sometimes disability and death, from accidents on the farm. The dollar loss is great, but the cost in human suffering is even greater. We have already done much to make agriculture safer, but we can do more. With a new awareness of the importance of farm safety we can insure that the equipment and chemicals used on the farm are safe for both farmer and consumer.

Now, THEREFORE, I, JIMMY CARTER, President of the United States of America, do hereby designate the week of July 25 through July 31, 1977, as National Farm Safety Week. I urge all who live and work on the nation's farms and ranches to commit themselves to safe conduct in all activities. Further, I urge all who work with and serve agricultural producers to assist and support them in this effort in every possible way.

IN WITNESS WHEREOF, I hereunto set my hand this twenty-eighth day of March, in the year of our Lord nineteen hundred seventy-seven, and of the Independence of the United States of America the two hundred and first.

JIMMY CARTER

[Filed with the Office of the Federal Register,
3:07 p.m., March 28, 1977]

National Commission on the Observance of International Women's Year, 1975

Executive Order 11979. *March 28, 1977*

By virtue of the authority vested in me by the Constitution and statutes of the United States of America, and as President of the United States of America, in accord with Section 2 of the Act approved December 23, 1975, to direct the National Commission on the Observance of International Women's Year, 1975, to organize and convene a National Women's Conference, and for other purposes (Public Law 94-167, 89 Stat. 1003), and in order to increase the number of members on the Commission, it is hereby ordered that Section 1(b) of Executive Order No. 11832, as amended by Executive Order No. 11889, is amended to read as follows:

"(b) The Commission shall consist of not more than 45 members to be appointed by the President from among citizens in private life, except that not more than 10 members may be officials of State or local governments. The President shall designate the presiding officer, who may designate from among the members of the

Commission as many vice presiding officers as necessary.”.

JIMMY CARTER

The White House,
March 28, 1977.

[Filed with the Office of the Federal Register,
11:58 a.m., March 29, 1977]

NOTE: The Executive order was not issued in the form of a White House press release.

For the text of Executive Order 11980, which amends Executive Order 11979, see page 527 of this volume.

National Commission on the Observance of International Women's Year, 1975

Appointment of Members and Presiding Officer of the Commission. March 28, 1977

The President today announced the appointment of former New York Congresswoman Bella Abzug as presiding officer of the National Commission on the Observance of International Women's Year. He also announced that former First Lady Betty Ford will serve on the Commission.

The President has signed on Executive order increasing the maximum number of members on the Commission from 35 to 42. Members of the Commission and the presiding officer serve without compensation.

Congress has authorized the Commission to sponsor 56 State and territorial meetings on the rights and responsibilities of women by mid-July. A National Women's Conference scheduled for November 18-21, 1977, in Houston, Tex., will include representatives selected by the 56 meetings and appointed by the IWY Commission.

The National Conference will draw up recommendations for ending the barriers

to women's equality in the United States. Their report will be submitted to the President and to Congress in March 1978.

The members of the Commission are:

BELLA S. ABZUG, of New York, N.Y., presiding officer—former U.S. Congresswoman (D-N.Y.); attorney; founder and former chair, National Women's Political Caucus; U.S. delegate to the U.N. World Conference on IWY in Mexico City, July 1975.

RUTH J. ABRAM, of New York, N.Y.—executive director, Women's Action Alliance; former program director, American Civil Liberties Union; executive director, the Norman Foundation.

MAYA ANGELOU, of Sonoma, Calif.—poet, actress, playwright; author, “I Know Why The Caged Bird Sings” and “And Still I Rise” (Broadway musical opening in autumn, 1977).

ELIZABETH ATHANASAKOS, of Fort Lauderdale, Fla.—practicing attorney; former municipal judge; former presiding officer, IWY Commission, 1976.

BETTY BLANTON, of Nashville, Tenn.—First Lady of Tennessee; member, 51.3% Committee.

LIZ CARPENTER, of Austin, Tex.—co-chair, ERAmerica; public relations executive; former press secretary to Lady Bird Johnson.

JOHN MACK CARTER, of New York, N.Y.—editor-in-chief, Good Housekeeping magazine; former editor, Ladies' Home Journal, McCall's, American Home, and assistant editor, Better Homes and Gardens.

SEYMOUR M. CHASSLER, of New York, N.Y.—editor-in-chief, Redbook magazine; former editor, McCall's magazine.

RUTH C. CLUSEN, of Green Bay, Wis.—president, National League of Women Voters; alternate U.S. delegate to the U.N. World Conference on IWY in Mexico City, July 1975.

AUDREY ROWE COLOM, of Washington, D.C.—president, National Women's Political Caucus; director of women's activities, Corporation for Public Broadcasting.

JANE CULBRETH, of Leeds, Ala.—president, National Federation of Business and Professional Women's Clubs, Inc.; corporate officer and secretary, Moss-Thornton Co.

- HARRY T. EDWARDS**, of Boston, Mass.—professor of law, Harvard Law School; former professor, University of Michigan Law School; professional labor arbitrator.
- BEVERLY EVERETT**, of New Sharon, Iowa—Iowa State president, American Association of University Women; member, Iowa Commission on the Future; activist on agriculture and rural development issues.
- MARCH K. FONG EU**, of Sacramento, Calif.—secretary of state for California; former president and life member, American Dental Hygienists' Association; member, California Consumer Affairs Council.
- BETTY FORD**, of Palm Springs, Calif.—former First Lady of the United States.
- BERNICE S. FRIEDER**, of Lakewood, Ohio—former officer, National Council of Jewish Women; honorary life member, National Association, State Boards of Education.
- MARTHA GRIFFITHS**, of Romeo, Mich.—member of law firm Griffiths and Griffiths; Member of Congress, 1955–1975.
- DOROTHY HAENER**, of Detroit, Mich.—international representative, women's department, United Auto Workers; board member, National Committee on Household Employment; founder and past board member, National Organization for Women and the National Women's Political Caucus.
- RHEA MOJICA HAMMER**, of Chicago, Ill.—businesswoman; journalist-newspaper publisher of *El-Charin*; consultant, Latino Unlimited; founder, National Latino Media Coalition.
- LA DONNA HARRIS**, of Albuquerque, N. Mex.—president, Americans for Indian Opportunity; member, Common Cause.
- LENORE HERSHEY**, of New York, N.Y.—editor-in-chief, *Ladies' Home Journal*; creator and executive producer of the annual "Women of the Year" television show.
- KORYNE HORBAL**, of Minneapolis, Minn.—chair, Women's Caucus, Democratic National Committee; Democratic National Committeewoman.
- MILDRED JEFFREY**, of Detroit, Mich.—chair, Democratic Women's Task Force, National Women's Political Caucus; board member, Consumer Federation of America; founder, Coalition of Labor Union Women.
- JEFFALYN JOHNSON**, of Arlington, Va.—management consultant; former associate director, dean and senior professor, Federal Executive Institute.
- CORETTA SCOTT KING**, of Atlanta, Ga.—civil rights worker; founder, Martin Luther King, Jr., Memorial Center, Atlanta; Dag Hammarskjöld Award, 1969.
- MARY ANN KRUPSAK**, of Canajoharie, N.Y.—lieutenant governor, State of New York; former representative, New York State Assembly.
- MARGARET J. MEALEY**, of Washington, D.C.—executive director, National Council of Catholic Women; former member, Citizens' Advisory Council on the Status of Women; White House Conferences on Children and Youth, on Aging, and on Food, Nutrition and Health.
- JEAN O'LEARY**, of New York, N.Y.—co-executive director, National Gay Task Force.
- MILDRED E. PERSINGER**, of Dobbs Ferry, N.Y.—representative of Worldwide and National Board of the Young Women's Christian Association of the U.S.A. at the United Nations; organizing chair of the Tribune of the UN World Conference on IWY in Mexico City, July 1975.
- CONNIE PLUNKETT**, of Carrollton, Ga.—member, Democratic National Committee; former city councilwoman, Carrollton; former vice-chair, Georgia Democratic Party; deputy campaign director, Carter-Mondale Campaign.
- ERSA POSTON**, Loudonville, N.Y.—commissioner and past president, New York Civil Service Commission; former member, U.S. delegation to the United Nations General Assembly.
- CECELIA DEBURCIAGO PRECIADO**, of Palo Alto, Calif.—assistant to the president, Stanford University; researcher and writer; consultant; educator.
- CLAIRE RANDALL**, of New York, N.Y.—general secretary, National Council of Churches in Christ in the U.S.A.; former associate executive, Church Women United; church educator; artist; designer.
- ALICE S. ROSSI**, of Amherst, Mass.—chair, board of directors, Social Science Research Council, New York; former chair, National Committee on the Status of Women; author, "The Feminist Papers" and many other articles.
- GLORIA SCOTT**, of Houston, Tex.—national president, Girl Scouts of America; professor of higher education, Texas Southern University; board of directors, National Urban League.
- ELEANOR SMEAL**, of Pittsburgh, Pa.—chair of the board, National Organization for Women; homemaker.

JEAN STAPLETON, of Los Angeles, Calif.—actress, “All in the Family;” motion picture credits include “Up the Down Staircase,” “Cold Turkey,” “Klute,” “Damn Yankees;” summer performances at Totem Pole Playhouse, Fayetteville, Pa.

GLORIA STEINEM, of New York, N.Y.—editor, MS magazine; chair of the board, Women’s Action Alliance; founder, National Women’s Political Caucus.

ETHEL TAYLOR, of Bala-Cynwyd, Pa.—national coordinator, Women’s Strike for Peace.

CARMEN DELGADO VOTAW, of Bethesda, Md.—president, National Conference of Puerto Rican Women; board of Overseas Education Fund, League of Women Voters; member, Hispanic First Federal Credit Union.

GERRIDEE WHEELER, of Bismarck, N. Dak.—past president, National Association for Mental Health; member, Department of Health, Education, and Welfare, Secretary’s Advisory Committee on the Rights and Responsibilities of Women.

ADDIE WYATT, of Chicago, Ill.—vice president, Coalition of Labor Union Women; vice president, Amalgamated Meatcutters and Butcher Workmen of North America; Citizens for Day Care, Illinois.

In addition to the members appointed by the President, the Commission includes two Senators and two Members of the House of Representatives, who are designated by the President of the Senate and the Speaker of the House, respectively. They are:

SENATOR BIRCH BAYH (D—Ind.)

SENATOR CHARLES PERCY (R—Ill.)

REPRESENTATIVE MARGARET HECKLER (R—Mass.)

REPRESENTATIVE ELIZABETH HOLTZMAN (D—N.Y.)

National Commission on the Observance of International Women’s Year, 1975

Executive Order 11980. March 29, 1977

By virtue of the authority vested in me by the Constitution and statutes of the

United States of America, and as President of the United States of America, Section 1(b) of Executive Order No. 11832, as amended, is further amended by substituting “42 members to be appointed” for “45 members to be appointed”.

JIMMY CARTER

The White House,

March 29, 1977.

[Filed with the Office of the Federal Register, 11:59 a.m., March 29, 1977]

NOTE: The Executive order was not issued in the form of a White House press release.

United Nations

Nomination of Donald F. McHenry To Be U.S. Deputy Representative in the Security Council. March 29, 1977

The President today announced that he will nominate Donald F. McHenry, of Chicago, Ill., to be Deputy Representative of the United States in the Security Council of the United Nations, with the rank of Ambassador. From 1973 to 1977, McHenry was project director of Humanitarian Policy Studies at the Carnegie Endowment for International Peace, in Washington.

He was born on October 13, 1936, in St. Louis, Mo. He received a B.S. in 1957 from Illinois State University and an M.S. from Southern Illinois University in 1959.

McHenry was a graduate teaching assistant at Southern Illinois University from 1957 to 1959, and from 1959 to 1962, he was an instructor at Howard University. From 1959 to 1963, he attended Georgetown University.

McHenry joined the Department of State in 1963 as foreign affairs officer of the Dependent Areas Section, Office of United Nations Political Affairs, and from 1965 to 1968, he served as officer in charge of that Section.

In 1968 and 1969, McHenry served as assistant to the Secretary of State-designate and Secretary of State. From 1969 to 1971, he was special assistant to the Counselor of the Department of State.

From 1971 to 1973, McHenry was on leave from the State Department, serving as a professorial lecturer in the School of Foreign Service at Georgetown University, a guest scholar at the Brookings Institution, and an international affairs fellow of the Council on Foreign Relations. In 1973 he became project director of Humanitarian Policy Studies at the Carnegie Endowment for International Peace.

McHenry has served as an advisor to the U.S. delegation to the United Nations Trusteeship Council and an Alternate U.S. Representative to the U.N. Trusteeship Council; an Alternate U.S. Representative to the U.N. Seminar on Apartheid and Racial Discrimination; a member of the U.S. delegation to the U.N. International Conference on Human Rights; and a consultant to the U.S. congressional delegation to the Inter-parliamentary Union.

McHenry received the Superior Honor Award of the Department of State in 1966. He has had numerous articles published in journals and newspapers.

Federal Advisory Committees

Message to the Congress Transmitting a Report. March 29, 1977

To the Congress of the United States:

In accordance with the provisions of Section 6(c) of the Federal Advisory Committee Act, the report on the status of advisory committees in 1976 is herewith forwarded.

This is the fifth annual report. It is organized to provide summary information

about the activities of advisory committees, and public access to specific committees and the federal agencies to whom they provide advice.

With the current government-wide, zero-base review of all advisory committees, the number of existing committees should be sharply reduced. This reduction will be reflected in the next annual report.

JIMMY CARTER

The White House,

March 29, 1977.

NOTE: The report is entitled "Federal Advisory Committees—Fifth Annual Report of the President, Covering Calendar Year 1976" (Government Printing Office, 184 pp.).

The message was not issued in the form of a White House press release.

President's Commission on Mental Health

Appointment of 20 Members to the Commission. March 29, 1977

The President today announced the names of 20 members he will appoint to serve on the President's Commission on Mental Health.

The group met today with the First Lady, who is honorary chairperson of the Commission. The Commission will begin work on April 1, and will submit a preliminary report to the President by September 1.

Over 1,000 candidates for the Commission were screened by a small ad hoc committee chaired by John Gardner, chairman of Common Cause, and composed of the following members: Eleanor Holmes Norton, Human Rights Commissioner for New York City; Margaret Mahoney, vice president of the Robert Wood Johnson Foundation, Princeton, N.J.; Brian O'Connell, executive director of the Mental Health Association; Joseph T. English,

chief psychiatrist of St. Vincents Hospital, New York City; and Donald X. Freedman, chairman of the department of psychiatry at the University of Chicago.

The screening committee submitted a small pool of names for final selection to President and Mrs. Carter.

Although Mrs. Carter is serving as honorary chairperson of the Commission, she will be actively involved in all aspects of the Commission's work.

The group of 20 people who will be appointed to the Commission includes 8 women, 12 men, a member of Alcoholics Anonymous, and a former patient who serves on the National Patients Rights Committee of the Mental Health Association. They are:

PRISCILLA ALLEN, 47, is a former patient from San Francisco, who has been effectively involved in the passage of legislation to benefit the mentally ill in California. She serves on the National Patients Rights Committee of the Mental Health Association. She served on a panel at the American Academy of Psychiatry and Law on "The Role of Consumer in Mental Health Service Advocacy" in 1976, and is the author of an important article published in *Psychiatry Quarterly* called "Consumer's View of California Mental Health Care System."

ALAN BEIGEL, M.D., 37, a practicing psychiatrist, is director of the Southern Arizona Mental Health Center in Tucson, Ariz. The author of numerous articles on mental illness and its treatment, he consults both the American Psychiatric Association and the Mental Health Association. He is the past president of the National Council of Community Mental Health Centers and has taught at Harvard, Mount Sinai School of Medicine, National Institute of Mental Health, and the University of Arizona College of Medicine.

THOMAS E. BRYANT, M.D., J.D., 41, has been president of the Drug Abuse Council since 1971. Successively since 1965, he was in private medical practice in Atlanta, a medical consultant to the Job Corps, and Director of Health Affairs for the Office of Economic Opportunity. He has also served on the President's Committee on Mental Retardation, the Committee on Health Care for the Poor

of the American Medical Association, the Health Task Force of HEW, and was Chairman of the Federal Interagency Committee on Emergency Food and Medical Service. Bryant received both his medical and law degrees from Emory University, in Atlanta.

JOSE CABRANES, 37, is the legal adviser and director of government relations at Yale. He has served for 10 years on the board of Hudson Guild, a New York City settlement house active in community mental health programs, and on the board of directors of the Yale-New Haven Hospital. He has been especially concerned with the problems of State and Federal regulation of hospital costs.

JOHN CONGER, 55, author of 10 books on child development, is professor of the division of clinical psychology at the University of Colorado School of Medicine. He has also served as dean of the University of Colorado School of Medicine and is acknowledged as an expert in adolescent health problems and as an effective policymaker in the mental health field.

THOMAS CONLAN, 65, a member of Alcoholics Anonymous and of the Ohio chapter of the National Council on Alcoholism, is a trial lawyer in Cincinnati, Ohio. He is also a member of the Ohio Board of Regents and general counsel and director of the Southern Bank, Cincinnati. He is one of Ohio's leading citizen-volunteers and experts on the subject of alcoholism. He has also served on numerous committees concerned with health education and health services.

VIRGINIA DAYTON, 43, an active citizen-volunteer, is the chairperson of the board of directors of the Bach Institute, in Minneapolis, Minn., which specializes in therapy, training, and research, based on the family systems theory. She is a member of the State Mental Health Advisory Council and of the board of directors of the United Way. Her chief interest has been in intermediate care systems and those services which help mental patients make the transition back to family and community.

LADONNA HARRIS, 46, longtime crusader for human rights, is founder and president of Americans for Indian Opportunity, a national non-profit Indian organization now based in Albuquerque, N. Mex. An active member of the Comanche Tribe, she was voted as one of the eight outstanding women in the United States by the *Ladies Home Journal* in 1969. She has served on the boards of Common Cause, Urban Coalition,

Urban League, Save the Children Federation, National Academy of Science, Mental Health Association, and the National Health Council.

BEVERLY LONG, in her early fifties, a leading volunteer in mental health policymaking in Georgia, is the chairperson of the Governor's Advisory Council on Mental Health, Mental Retardation and Substance Abuse, in Georgia. She is a former president of the Mental Health Association of Georgia and is active in the national Mental Health Association. She holds masters degrees in public health and chemistry-zoology from the Universities of North Carolina and Georgia, respectively.

RUTH B. LOVE, in her early forties, an articulate spokesperson, lecturer, and writer on the subject of education, is the superintendent of schools in Oakland, Calif. She has particular concern for disadvantaged and minority youth and was former Director of the Right to Read effort in the U.S. Office of Education and former chief of the bureau of compensatory education program development of the California Department of Education. She was also a former project director for Crossroads Africa in Ghana.

FLORENCE MAHONEY, in her seventies, a nationally known advocate for the needs of the aging and the emotional problems involved, was instrumental in proposing and creating the National Institute on Aging of NIH. As a prominent citizen of Washington, D.C., she has devoted the past 35 years to championing the cause of high quality bio-medical research, child development research, and for improved delivery of health services. She has been cochairman of the National Committee Against Mental Illness since 1950.

MARTHA MITCHELL, 38, is associate director of nursing of the Connecticut Mental Health Center and assistant professor of psychiatric nursing of the Yale University School of Nursing. She is especially skillful with policy problems involving the role of nursing in mental health care delivery.

MILDRED MITCHELL-BATEMAN, M.D., 55, is a commissioner of the West Virginia Department of Mental Health and clinical professor, department of behavioral medicine, West Virginia University School of Medicine. A clinical psychiatrist, she has given special attention to the health delivery problems of the underserved and has worked to develop new systems of reaching and serving people, beginning with mental health programs in the schools.

HAROLD RICHMAN, 40, an expert in social welfare policy, is dean of the University of Chicago School of Social Service Administration. A former White House Fellow, Dr. Richman is concerned with improving public policy in mental health. He is a member of the Committee on Child and Family Policy of the National Academy of Science.

JULIUS B. RICHMOND, M.D., 61, a pediatrician and educator, is the director of the Judge Baker Guidance Center in Boston. He co-designed the concept of the Neighborhood Health Center for the Office of Economic Opportunity in the mid-1960's, and founded the Head Start program. He is also professor of child psychiatry and human development at the Harvard Medical School, professor and chairman, department of preventive and social medicine at the Harvard Medical School, and psychiatrist-in-chief of the Children's Hospital Medical Center, Boston.

REYMUNDO RODRIGUEZ, 32, a health educator and urban planner, is executive assistant for the Hogg Foundation for Mental Health, University of Texas, Austin. He was formerly regional planner and coordinator of criminal justice for the Middle Rio Grande Development Council in a nine-county area in Texas. He has also worked as a traveling elementary school teacher with migrant workers, and is a consultant to the Texas Commission on Alcoholism.

GEORGE TARJAN, M.D., 65, is the director of the mental retardation and child psychiatry division of the UCLA Neuropsychiatric Institute and professor of psychiatry, UCLA School of Medicine. As the head of the country's major research and teaching center on mental retardation and childhood disabilities, he has extraordinary knowledge of delivery systems and an understanding of state bureaucracies and agencies.

FRANKLIN E. VILAS, JR., S.T.M., 42, is an Episcopal minister who is known for his pastoral counseling programs in the northeast. He is now rector of the Diocesan Church of St. Ann and the Holy Trinity, Brooklyn, N.Y. He was formerly the pastoral officer and director of special programs in health and mental services at Trinity Parish, New York City, and was the founder of the Family Life Institute in Beverly Farms, Mass.

GLEN WATTS, 56, a labor leader, is president of the Communications Workers of America, a member of the executive council of the AFL-CIO, and is vice chairman of the board of governors and chairman of the ex-

executive committee of the United Way of America, the latter being the largest private funder of community mental health services.

CHARLES V. WILLIE, 49, is professor of education and urban studies at the Graduate School of Education at Harvard. A former research sociologist with the New York State Mental Health Commission, he has written on community mental health problems and is active in the development of black colleges as institutions in our society. He is a member of the technical advisory board of the Maurice Falk Medical Fund and a consultant to the Center for Minority Mental Health Programs of the National Institute of Mental Health.

Interagency Committee for the Purchase of United States Savings Bonds

Executive Order 11981. March 29, 1977

ESTABLISHING THE INTERAGENCY COMMITTEE FOR THE PURCHASE OF UNITED STATES SAVINGS BONDS

By virtue of the authority vested in me by the Constitution and statutes of the United States of America, and as President of the United States of America, it is hereby ordered as follows:

SECTION 1. (a) There is hereby established the Interagency Committee for the Purchase of United States Savings Bonds (hereinafter referred to as the Committee). The Committee shall consist of a Chairman, who is to be appointed by the President for a term of two years, and the heads of Federal agencies. Each member of the Committee is responsible for the success of the Payroll Savings Program in his agency.

(b) Members of the Committee may designate an alternate, who shall serve as a member of the Committee whenever the regular member is unable to attend any

meeting of the Committee. The alternate member may be authorized to act for the regular member in all appropriate matters relating to the Committee. In the case of an executive or military department, a Deputy Secretary or an Under Secretary may be designated as an alternate member. In the case of any other Federal agency, the alternate member shall be designated from among the officials thereof of appropriate rank.

(c) The Chairman will designate the Federal Payroll Savings Officer of the Savings Bonds Division, Department of the Treasury, to act as his liaison officer with members of the Committee.

SEC. 2. The Committee shall perform the following functions and duties:

(a) Formulating and presenting to the Federal agencies a plan of organization and sales promotion whereby the Payroll Savings Plan and Military Bond Allotment Plan, hereinafter referred to as the Plans, will be made available to all uniformed and civilian personnel of the government for the purchase of Savings Bonds, and whereby all such personnel will be urged to participate.

(b) Assisting the Federal agencies in installing the Plans and in solving any special problems that may develop in connection therewith.

(c) Acting as a clearinghouse for Federal agencies in compiling and disseminating such statistics and information with respect to the implementation and sales promotion of the Plans as may be appropriate.

(d) Recommending to the Federal agencies any methods for improvements in the program adopted pursuant to the Plans.

(e) The Committee will meet, and will be available to meet with the President, at least once each calendar year and at such other times as may be necessary to carry out its responsibilities.

SEC. 3. Each Federal agency shall institute and put into operation, as soon as practicable, a plan of organization and sales promotion recommended by the Committee, with such modifications as particular circumstances may render advisable.

SEC. 4. As used in this Order, the term "Federal agencies" means departments, agencies, and establishments of the Executive branch of the Government.

SEC. 5. This Order supersedes Executive Order No. 11532 of June 2, 1970.

JIMMY CARTER

The White House,
March 29, 1977.

[Filed with the Office of the Federal Register,
4:15 p.m., March 29, 1977]

NOTE: The President signed the Executive order at an Oval Office ceremony attended by Bert Lance, Director of the Office of Management and Budget, W. Michael Blumenthal, Secretary of the Treasury, and Treasury Department officials from the Federal Payroll Savings Program.

Interagency Committee for the Purchase of United States Savings Bonds

*Memorandum to the Heads of Executive
Departments and Agencies. March 29, 1977*

*Memorandum to the Heads of Depart-
ments and Agencies*

Attached is the Executive Order which establishes and explains the Federal Interagency Committee for the purchase of United States Savings Bonds.

I have appointed Bert Lance, Director of Office of Management and Budget, as Chairman of the Committee. I assigned

him one of the most crucial tasks in the entire Federal establishment; that of making the Federal Government the leader in the Savings Bonds Program. I am confident he will succeed and that all Department and Agency heads will shoulder their full share of the responsibility towards that end.

Savings Bonds are both prudent and patriotic, because they strengthen the security of our families and help protect the value of the dollar. At the present time, outstanding Savings Bonds represent approximately one-fifth of the privately held portion of the Public Debt.

THE EXECUTIVE ORDER STATES IN PART:

"Members of the Committee may designate an alternate, who shall serve as a member of the Committee whenever the regular member is unable to attend any meeting of the Committee. The alternate member may be authorized to act for the regular member in all appropriate matters relating to the Committee. In the case of an executive or military department, a Deputy Secretary or an Under Secretary may be designated as an alternate member. In the case of any other Federal agency, the alternate member shall be designated from among the officials thereof of appropriate rank."

In order that the Committee can become functional at the earliest possible date, please send Director Lance the name of your alternate as soon as one has been selected.

Under your personal leadership and encouragement, I am certain that your employees will respond with enthusiasm and that together we may attain a new high level of participation in this important program.

JIMMY CARTER

Swearing-In Ceremony

Remarks at the Swearing In of the Administrator of the Agency for International Development and the Special Representative for Trade Negotiations. March 30, 1977

Good morning, everybody.

We have another very important occasion for our country and, I think in this instance, in a unique way for the rest of the world.

I have had a chance to know both these men for a number of years. I met Jack Gilligan when he and I were both elected as Governors. He's an educator. He's a man who served well at the local and State levels of government. And I have said many times—I don't think ever when he was present—that when I had a chance to work with the other 49 Governors that he was the best one of all in dealing with a complicated subject, demonstrating superb management capability, and having a sensitivity about the needs of human beings. And now it's time for him to be permitted to serve at the national and the international levels of government.

Our country is one that is humane and compassionate about the needs of suffering people here and throughout the world. At the same time, many people have been discouraged in the last number of years that the good intentions of our Government in providing help to those who need it quite often are not carried out in the delivery of opportunities to people to have medical care and food and a chance to live a decent life.

There are about, I think, 6,000 employees involved in our AID program around the world, and I believe that Jack Gilligan has a unique capability of bringing to this bureaucratic entity, which is crucial,

proper management techniques that will let the delivery of services be efficient and, more importantly, effective, and maintaining a good relationship with the Congress where he served so well, and also letting the rest of the world know the true character of our country.

So, I am very proud that Jack Gilligan will be the director of our AID program. He has been working on this job quite extensively for the last number of weeks, learning about it, studying it, and I am sure that he will make the Nation proud as he takes on this new and very important assignment.

The other man I have also known a long time. He's well prepared for one of the most difficult jobs in Government. When this post of Special Trade Representative was created by the Congress, it was created at the Cabinet level and that indicates the importance attached to it by the people of our Nation.

This is probably the second most difficult assignment that I know about. The most difficult one was bringing order out of chaos and bringing harmony within the Democratic Party in the last 4 years. [Laughter]

And if ever anyone has been to the crucible of training for a very difficult negotiating job, Bob Strauss has been. I have pretty well taken care of most of the important responsibilities of his job. I have already handled mushrooms. And all he has got to worry about now is shoes and color televisions and sugar and a few other incidentals like that, but I am sure he is well qualified for it.

Again, Bob Strauss has a special insight into the business world. He has worked well with labor. He is acquainted with international trade. He has a knowledge of the workings of the executive and the legislative branches of our Government.

He'll be able, I think, to present to other countries an accurate representation of what our Nation can do in resolving an almost irresolvable conflict between protecting the jobs of American workers and having a strong economy here on the one hand, and not having restrictive import rulings or decisions that would bring the whole world trade concept in a constantly declining circumstance.

This is a very difficult question to address. And he and I together, the other members of our executive branch of Government, and the Congress will be trying to deal with this question in the months ahead.

But I have complete confidence in him, and with Helen to give him good advice I am sure that he will succeed in this as well as he has in his past endeavors.

So, it's a good day for our country, to have Bob Strauss as Special Trade Representative and Jack Gilligan as director of our AID program. I am very proud of them and grateful to them.

And I want to congratulate them and the people of our country for this fine acceptance on their part of a major and very important responsibility.

Thank you, Bob. Thank you, Jack.

Now the Attorney General will administer the oath.

NOTE: The President spoke at 9:30 a.m. in the Rose Garden at the White House. Following his remarks, Attorney General Griffin B. Bell administered the oath of office.

United States-Canada Transit Pipeline Agreement

Message to the Senate Transmitting the Agreement. March 30, 1977

To the Senate of the United States:

I transmit herewith, for Senate advice and consent to ratification, the Agreement

between the Government of the United States of America and the Government of Canada Concerning Transit Pipelines signed at Washington on January 28, 1977. I also transmit, for the information of the Senate, the report of the Department of State with respect to the Agreement, including copies of letters exchanged at the time the draft text of the Treaty was initialed.

The Agreement was negotiated in response to a request made by the Congress in the Trans-Alaska Pipeline Authorization Act (P.L. 93-153) that the President determine the willingness of the Government of Canada to permit the construction of pipelines across Canada to carry oil and gas from Alaska's North Slope to markets in the lower 48 states, the terms and conditions which might apply to the operation of such pipelines and the need for intergovernmental agreements for this purpose. The Agreement negotiated in response to this request provides reciprocal protection against interruption in the flow of hydrocarbons in transit, and against discriminatory taxation. The Agreement is applicable both to existing and future pipelines transiting the United States and to future pipelines transiting Canada.

It became clear early in the negotiations that the Government of Canada was not prepared to conclude an arrangement which granted advance approval to a specific pipeline project. Consequently, the Agreement was drafted without reference to the specific proposals which have been made for the construction of pipelines to transport gas from Alaska's North Slope to the lower 48 states. Its provisions would be applicable to both existing and future transit pipelines.

The Agreement does not constitute Canadian approval of construction of a transit pipeline across its territory. Upon completion of studies currently in prog-

ress, the Government of Canada will announce whether or not it is willing to permit construction of a transit pipeline for Alaskan gas.

The Transit Pipeline Agreement provides a formal basis for United States-Canadian cooperation on hydrocarbon transportation systems, should both governments decide cooperation is advantageous. I urge the Senate to act favorably on this Agreement at an early date by giving its advice and consent to ratification.

JIMMY CARTER

The White House,
March 30, 1977.

Department of Agriculture and Commodity Credit Corporation

Nomination of Alex P. Mercure To Be an Assistant Secretary and a Member of the Board of Directors of the Corporation. March 30, 1977

The President today announced that he will nominate Alex P. Mercure of Albuquerque, N. Mex., to be Assistant Secretary of Agriculture (Rural Development) and a member of the Board of Directors of the Commodity Credit Corporation. Mercure is vice president of the University of New Mexico.

He was born June 30, 1931, in Lumberton, N. Mex. He received a B.S. degree in education from the University of New Mexico in 1958 and an M.A. degree in guidance from New Mexico Highlands University in 1961. He is completing a doctorate in education at the University of New Mexico.

Mercure was a teacher at Chama High School in Chama, N. Mex., from 1958 to 1962 and a counselor at Los Lunas Public Schools in Los Lunas, N. Mex., from 1962 to 1964. From 1965 to 1971, he was

executive director of the home education livelihood program of the New Mexico Council of Churches.

He was president of the New Mexico Technical Vocational School in El Rito, N. Mex., from 1971 until 1974, when he became vice president and associate provost of the University of New Mexico, in charge of regional and community affairs.

Mercure has served on National Advisory Committees on Adult Education and on Minority Business Enterprise. He has been a member of a National Academy of Sciences study group on applied sciences and social change in rural areas and has served on the White House Conferences on Children and Youth and on Food, Nutrition and Health.

He has served on the Joint Commission on Mental Health for Children and the New Mexico Cooperative Research and Study Council. He has been on the board of directors of the Albuquerque Community Council, the Spanish Colonial Historical Foundation in Santa Fe, Del Sol (a rural development corporation affiliated with HELP), and Juntos (a barrio organization in Santa Fe).

Mercure received the New Mexico distinguished Public Service Award in 1976.

Department of the Interior

Nomination of Joan M. Davenport To Be an Assistant Secretary. March 30, 1977

The President today announced that he will nominate Joan M. Davenport, of Orange, N.J., to be an Assistant Secretary of the Interior (Energy and Minerals). Ms. Davenport is currently Director of the Office of Environmental Assessment of the Federal Energy Administration.

She was born in Newark, N.J., on January 2, 1943. She received a B.S.F.S. in

1964 and an M.S. in 1968 from Georgetown University.

Davenport was an economist for the Conference on Economic Progress from 1966 to 1968, and a staff economist in the Division of Energy and Minerals, Bureau of Land Management, at Interior from 1969 to 1971.

She served as a staff economist in the Office of Technical Analysis in the Environmental Protection Agency from 1973 to 1974, and as Deputy, then acting Director of that office until 1975, when she became Director of the Office of Environmental Assessment at FEA.

Davenport received the Certificate of Superior Service from FEA in 1975 and the Certificate of Award from EPA in 1973. She is a member of the National Audubon Society and the National Wildlife Federation.

Export-Import Bank of the United States

Nomination of John L. Moore, Jr., To Be President. March 30, 1977

The President today announced that he will nominate John L. Moore, Jr., of Atlanta, Ga., to be President of the Export-Import Bank of the United States. Moore is a partner in the law firm of Alston, Miller and Gaines in Atlanta, Ga.

Moore was born in West Palm Beach, Fla., on August 24, 1929. He received an A.B. magna cum laude from Harvard College in 1951. He attended Balliol College on a Rhodes Scholarship and received a B. Litt. in 1953. He received an LL.B. degree magna cum laude from Harvard Law School in 1956, serving as vice president of the Harvard Legal Aid Bureau in 1955-56.

Moore has been with Alston, Miller and Gaines since 1956, as an associate until 1961, and as a partner since that time. His areas of practice are corporate finance, real estate finance, and tax and securities law.

Moore served as a lecturer in forensic psychiatry at Emory University Medical School from 1961 to 1971, and as a lecturer in law and medicine at Emory University Law School from 1961 to 1965. He has also taught corporate law at Woodrow Wilson College of Law.

He served as a member and secretary of the Governor's Advisory Committee on Mental Institutions (Georgia) from 1959 to 1963, and as chairman of the Citizens' Committee on Mental Health in 1965 and 1973. In 1971 he was chairman of the Georgia Commission on Mental Health and cochairman of the Citizens' Task Force on Health.

Moore serves as secretary for the Georgia and district III selection committees for Rhodes Scholarships, director of the Georgia Association for Pastoral Care, and director and vice president of Community Friendship, Inc.

Moore helped to prepare the guidelines on conflict of interest and financial disclosure during the Carter-Mondale transition and has continued to work on the guidelines since the Carter administration has taken office.

Federal Aviation Administration

Nomination of Langhorne M. Bond To Be Administrator. March 30, 1977

The President today announced that he will nominate Langhorne M. Bond, of Springfield, Ill., to be Administrator of the Federal Aviation Administration.

Bond is secretary of the Illinois department of transportation in Springfield.

Bond was born March 11, 1937, in Shanghai, China. He received a B.A. from the University of Virginia in 1959 and an LL.B. from the University of Virginia Law School in 1963. He has studied international aviation law at the Institute of Air and Space Law at McGill University and at the London School of Economics.

From 1965 to 1968, Bond served as Special Assistant to the Under Secretary of Commerce for Transportation prior to the establishment of the DOT and as Special Assistant to the Secretary of Transportation during the Department's first year.

Bond was Assistant Administrator for Public Affairs at the Urban Mass Transportation Administration in 1968 and 1969, and served as executive director of the National Transportation Center in Pittsburgh, Pa., from 1969 until 1973, when he became secretary of transportation for Illinois.

Bond was president of the American Association of State Highway and Transportation Officials in 1975-76 and has been chairman of the Chicago Area Transportation Study since 1973.

Federal Aviation Administration

Nomination of Quentin S. Taylor To Be Deputy Administrator. March 30, 1977

The President today announced that he will nominate Quentin S. Taylor, of Acton, Maine, to be Deputy Administrator of the Federal Aviation Administration. Taylor is currently Director of the FAA for the New England Region.

He was born on February 22, 1936, in Front Royal, Va. He received a B.S. de-

gree in electronic engineering from Howard University in 1959 and an M.A. from Syracuse University in political science in 1967. He also studied at Syracuse under the FAA's Administrative Management Development Program.

From 1959 to 1965, Taylor was an electronic engineer in the FAA's Bureau of Facilities in Washington. In 1965 and 1966, he was an appraisal staff specialist in the Office of Appraisal at FAA, and from 1966 to 1969, he served as special assistant to the Associate Administrator for Administration.

Taylor served as Director of Civil Rights at the FAA from 1969 to 1971, and as Deputy Director of the FAA for the Alaskan Region from 1971 until 1975, when he became Director for the New England Region.

Taylor was the DOT nominee for the Arthur S. Flemming Award in 1971 and for the William A. Jump Award in 1971, 1972, and 1973.

Securities and Exchange Commission

Nomination of Harold M. Williams To Be a Member. March 30, 1977

The President today announced that he will nominate Harold M. Williams, of Beverly Hills, Calif., to be a member of the Securities and Exchange Commission. The President indicated that Williams will be designated Chairman of the Commission once confirmed by the Senate. Williams is dean of the Graduate School of Management at the University of California at Los Angeles.

He was born in Philadelphia on January 5, 1928. He received a B.A. degree from UCLA in 1946 and a J.D. from Har-

vard Law School in 1949. He joined the Los Angeles law firm of Charles H. Carr in 1949, served in the U.S. Army as a legal officer from 1950 to 1953, and returned to the law firm, where he remained until 1955, when he joined the legal staff of Hunt Foods as an associate tax counsel.

He was subsequently elected vice president, executive vice president and director, and president of Hunt-Wesson Foods. In 1968 he was elected president of Hunt Foods and Industries, Inc., and with the formation of Norton Simon later that year—resulting from the consolidation of Canada Dry Corp., Hunt Foods and Industries, and McCall Corp.—he was named chairman of the new company's finance committee. In 1969 he assumed the additional post of chairman of the board of Norton Simon.

In 1970 he became dean of the Graduate School of Management at UCLA. In 1973 he was appointed energy coordinator for the city of Los Angeles by Mayor Tom Bradley. He serves as cochairman for the Public Commission on County Government, a subcommittee chairman of the mayor's ad hoc committee on city revenues, a member of the California Citizens Commission on Tort Reform, and an adviser to the Committee on Productivity and the Private Sector, Committee on Economic Development.

He is a member of the Commission for Economic Development of the State of California and of the U.S. Securities and Exchange Commission Advisory Committee on Corporate Disclosure. In 1976 he received the Torch of Learning Award and Honorary Fellowship from Hebrew University and the Earl Warren Leadership Award from the American Society of Public Administration, Los Angeles chapter.

Williams is being nominated for the remainder of the term expiring June 5, 1977,

and for a term of 5 years expiring June 5, 1982.

SALT Negotiations With the Soviet Union

Remarks and a Question-and-Answer Session With Reporters. March 30, 1977

STRATEGIC ARMS LIMITATION

THE PRESIDENT. Good afternoon.

This has been an afternoon devoted to receiving dispatches from Moscow, and I'd like to make a report to the American people about what has occurred.

We have proposed to the Soviet leaders in the last 2 days a comprehensive package of agreements which, if concluded, will lay a permanent groundwork for a more peaceful world, an alleviation of the great threat of atomic weapons, that will maintain the political and strategic weapon capability and balance between the United States and the Soviet Union.

One of our proposals on this nuclear weapons talks was very brief and it was our second option. It was, in effect, to ratify the Vladivostok agreement that had already been reached.

The difference between us and the Soviet Union on this point is that the Soviets claim that Secretary Kissinger and my predecessors in the White House—Presidents Ford and, earlier, Nixon—did agree to forgo the deployment of cruise missiles. Our position is that we have never agreed to any such thing. But we asked the Soviet Union to accept an agreement on all other matters and postpone the cruise missile and the Russians' new bomber, the Backfire bomber, until continuing later discussion. They rejected that proposal.

The other one was much more far-reaching and has profound consequences

that are beneficial, I think, to our own Nation and to the rest of the world. It was to have substantial reductions in the level of deployment of missile launchers and the MIRV'd missiles below the 2,400 level and the 1,320 level that were established under the Vladivostok agreements—substantial reductions; secondly, to stop the development and deployment of any new weapons systems. A third point was to freeze at the present level about 550 intercontinental ballistic missiles, our Minuteman and their missiles known as the SS-17, 18, and 19.

Another was to ban the deployment of all mobile missiles, their SS-16 and others, or ours—that is under the development stage, the MX.

Another one is to have a strict limit on the development of the Backfire bomber and a strict limit on the range that would be permitted on cruise missiles.

Another element of the proposal was to limit the number of test firings of missiles to six firings per year of the intercontinental range and also of the medium-range missiles and to ask the Soviet Union to give us some assured mechanism by which we could distinguish between their intercontinental mobile missile, the SS-16, and their limited-range mobile missile, the SS-20.

The sum total of all this proposal was a fair, balanced, substantial reduction in the arms race which would have guaranteed, I believe, a permanent lessening of tension and a mutual benefit to both our countries. The Soviets, at least at this point, have not accepted this proposal either.

Both parties—which will be promulgated in a joint communique tomorrow—have agreed to continue the discussions the first half of May in Geneva.

You might be interested in knowing that a few other points that we proposed were to have adequate verification, an

end of concealment, and the establishment of a so-called data base by which we would tell the Soviet Union the level of our own armaments at this point, and they would tell us their level of armaments at this point, so that we would have an assured, mutually agreed level of weapon capability.

I might cover just a few more things. In addition to discussing the SALT agreements in Geneva early in May, we have agreed to discuss other matters—South Africa, the upcoming possible Middle Eastern talks. And we've agreed to set up eight study groups: one, to develop an agreement whereby we might forgo the development of a capability of destroying satellite observation vehicles, so that we can have an assured way to watch the Soviets; they can have an assured way of watching us from satellites.

The second is to discuss the terms of a possible comprehensive test ban, so that we don't test in the future any more nuclear weapons. And we've also asked the Soviets to join with us in a prohibition against the testing of peaceful nuclear devices.

Another study group that has been mutually agreed to be established is to discuss the terms by which we might demilitarize or reduce the military effort in the Indian Ocean.

Another group will be set up, of experts, to discuss the terms by which we can agree on advanced notice on all missile test firings, so that perhaps 24 hours ahead of time, we would notify the Soviets when we were going to test fire one of our missiles; they would do the same for us.

Another group will be studying a way to initiate comprehensive arms control in conventional weapons and also the sale of weapons to third countries, particularly the developing nations of the world.

Another is to discuss how we might contribute, mutually, toward nonproliferation of nuclear weapon capability. Nations do need a way to produce atomic power for electricity, but we hope that the Soviets will join with us and our allies and friends in cutting down the capability of nations to use spent nuclear fuels to develop explosives.

Another item that we agreed to discuss at the Soviets' request was the termination in the capability of waging radiological or chemical warfare.

And the eighth study group that we agreed to establish is to study the means by which we could mutually agree on forgoing major efforts in civil defense. We feel that the Soviets have done a great deal on civil defense capability. We've done a less amount, but we would like for both of us to agree not to expend large sums of money on this effort.

So, the sum total of the discussions has been to lay out a firm proposal, which the Soviets have not yet responded to, on drastic reductions in nuclear capability in the future—these discussions will continue early in May—and to set up study groups to continue with the analysis of the other eight items that I described to you.

I'd be glad to answer just a few questions.

QUESTIONS

Q. Mr. President, pardon me if I don't stand, but I will block the camera there.

Do you still believe that the Soviets in no way linked your human rights crusade with arms control negotiations?

THE PRESIDENT. I can't certify to you that there is no linkage in the Soviets' minds between the human rights effort and the SALT limitations. We have no evidence that this was the case.

Secretary Vance thought it was quite significant, for instance, that when Gen-

eral Secretary Brezhnev presented a prepared statement on the human rights issue that it was done in a different meeting entirely from the meeting in which the SALT negotiations occurred.

So, our assessment is that there was no linkage, but I can't certify that there is no linkage in the Soviets' minds.

Q. Mr. President, you've said that the Soviets contend that Secretary Kissinger and your predecessors had promised that we would not deploy, I believe, the cruise missile.

THE PRESIDENT. Yes.

Q. Just where and how do they contend that this promise was given, and have you checked with them to see if in fact it was?

THE PRESIDENT. Yes. Both President Ford and Secretary Kissinger have maintained publicly, and to me privately, that there was never any agreement on the part of the United States to contain or to prohibit the deployment or development of cruise missiles.

The language that was used in the early Vladivostok agreement, which, as you know, has not yet been ratified, was a prohibition against air-launched missiles.

Secretary Kissinger's position has been—and he is much better able to speak than I am to speak for him—that that meant ballistic missiles, which was a subject of the Vladivostok talks.

Two and a half years ago or so, when these talks took place, the cruise missile capability was not well understood and there was no detailed discussion at all of the cruise missile. The Soviets claim that when they did discuss air-launched missiles that they were talking about cruise missiles. Secretary Kissinger said that he was not talking about cruise missiles.

Q. Sir, the point, just to follow, they are not contending that there was any secret understanding or discussion or anything?

THE PRESIDENT. No.

Q. They're talking about the language that was in the Vladivostok agreement?

THE PRESIDENT. Exactly.

Q. Did the Russians have a counter-proposal on SALT that they offered us, or were they content simply to listen to our proposals?

THE PRESIDENT. They listened to our two proposals. Of course, their proposal has been to ratify their understanding of the Vladivostok agreement, which includes their capability of developing the Backfire bomber and our incapability of developing cruise missiles. That's an agreement that we never understood to be part of the Vladivostok agreement.

Q. Mr. Carter, if necessary to achieve any progress, are you willing to modify your human rights statements——

THE PRESIDENT. No.

Q. —— or will you continue to speak out?

THE PRESIDENT. No. I will not modify my human rights statements. My human rights statements are compatible with the consciousness of this country. I think that there has been repeated recognition in international law that verbal statements or any sort of public expression of a nation's beliefs is not an intrusion in other nations' affairs.

The Soviets have, in effect, ratified the rights of human beings when they adopted the United Nations Charter. The Helsinki agreement, which will be assessed at Belgrade later on this year, also includes references to human rights themselves. So, I don't intend to modify my position. It is a position that I think accurately represents the attitude of this country.

I don't think that it's accurate to link the human rights concept with the SALT negotiations. I think that's an incorrect linkage. The SALT negotiations, I hope, will be successful as we pursue in laborious detail those discussions the rest of this

year. They will be successful only if the Soviets are convinced that it's to their advantage to forego a continued commitment and a very expensive commitment and a very threatening commitment to the arms race, and only if our own people believe that we derive the same advantage. That's what we hope for.

Q. Mr. President, how would you characterize what happened today? How serious a setback is this? Did we expect that the Soviets might be more receptive to our positions?

THE PRESIDENT. We had no indications either in direct or indirect communications with Brezhnev that they were ready to accept our positions. We carefully prepared over a period of 5 or 6 weeks what we thought was a balanced and what we still think is a balanced proposal with drastic reductions.

I might say that there is a unanimous agreement among the key Members of Congress, the State Department, my own staff, the Secretary of Defense, the Joint Chiefs that this is a good and fair proposal. I have hopes that the substance of our proposal will be accepted by the Soviet Union in the future, because it's to their advantage and ours to do so.

But I'm not discouraged at all. Cy Vance sent back the word that he was disappointed that we didn't reach immediate agreement, but that he was not discouraged. And I think the fact that a joint communique has been prepared and will be released tomorrow morning spelling out the fact that our nations will continue without interruption these discussions is very encouraging.

Q. Mr. President, would it be fair to say that the talks broke down because the United States is now not prepared to accept restrictions on cruise missiles?

THE PRESIDENT. No.

Q. Isn't that the heart of it?

THE PRESIDENT. That is not the heart of it at all. We are prepared to accept restrictions on the cruise missile if it's part of an overall and balanced package. We are not prepared to accept a unilateral prohibition against the development or deployment of the cruise missile absent some equivalent response from the Soviet Union, including the Backfire bomber. But we put together a package which was fair and balanced. But we are not prepared, unilaterally, to forgo an opportunity, unless it's equivalent to a Soviet response.

Q. Yes, sir, I didn't mean unilaterally, but on the January 1976 trip by Secretary Kissinger to the Soviet Union, there was active negotiation regarding a balanced reduction involving some limitations on cruise missiles.

So, when you say, sir, that the Soviets say we agreed to restrict cruise missiles, aren't they referring to 1976 and not to Vladivostok when indeed the cruise missile was on the drawing board and not a real thing?

THE PRESIDENT. I don't believe that—I don't want to get myself into the position of speaking for Secretary Kissinger. I don't think there has ever been any insinuation of an American agreement that the Soviets could build and deploy the Backfire bomber without limitation while we limited cruise missiles. And that's the position that the Soviets adopted as the Vladivostok agreement.

Q. Mr. President, have the Russians explained why they were turning down the comprehensive proposal? Was it because they did not want such drastic reductions as you proposed, or was it because they felt the limitations on cruise were not adequate? Did they give any reasons?

THE PRESIDENT. I do not know yet. I've not received a definitive analysis from Secretary Vance. He, a few minutes ago, was in the American Embassy in Moscow

preparing for me a detailed report on what has occurred. So far at I know, at this point, there were not any specific reasons given for the Soviets' turning down of our proposal.

My guess is that this proposal is so substantive and such a radical departure in putting strict limits and reductions on existing missiles and a prohibition against the development or deployment of new missiles in the future, that the Soviets simply need more time to consider it. Whether they'll accept it or not at the May meetings in Geneva or subsequently, I don't have any way to know yet.

Q. To follow that up—the May meetings, are they to be between Mr. Gromyko and Mr. Vance?

THE PRESIDENT. That's correct.

Q. Mr. President, Senator Baker, just outside a few moments ago, said that during your briefing of the congressional leadership you said you intended to "hang tough." Did you say that, and what did you mean by that?

THE PRESIDENT. Yes. I do. I think that it's important for us to take advantage of an opportunity this year to negotiate not just a superficial ratification of rules by which we can continue the arms race but to have a freeze on deployment and development of new missiles and an actual reduction in launchers and MIRV'd missiles below what was agreed to previously. And on those items, I intend to remain very strong in my position.

I don't think it's to our Nation's advantage to put forward in piecemeal fashion additional proposals. Our experience in the past has been that the Soviet Union extracts from those comprehensive proposals those items that are favorable to them and want to continue to negotiate the other parts of the proposals that might not be so favorable to them.

So, I do intend to continue strong negotiations to let the leaders of our country

know what we are proposing. And I'm not in any hurry; it's important enough to proceed methodically and carefully. But I hope that the Soviets will agree with us to drastic reductions and strict limitations in the future which have never been part of previous agreements.

Q. Mr. President, could I follow that?

THE PRESIDENT. Please.

Q. When you say you intend to continue negotiations, is there a chance that you might go to Geneva in May since you will already be in Europe in the early part of May anyway?

THE PRESIDENT. As a matter of fact, I'm already scheduled to go to Europe, not just to meet with the allies in London but to meet with President Asad of Syria. And where that meeting will be taking place, I don't know. But I have no intentions at this time to meet with any Soviet leaders on that trip.

Q. Mr. President, how will this data base work? Will that include all conventional armaments as well?

THE PRESIDENT. That would be a separate matter of discussion. The data base has been, for a long period of time, a matter of dispute in the mutual and balanced force reductions talks taking place in Vienna, where we've asked the Soviets to give us an inventory of their arsenal among the Warsaw Pact nations. These are conventional weapons, primarily.

But the data base to which I was referring this afternoon is an inventory of nuclear weapons that have been included in the SALT talks—the strategic nuclear weapons. So far, we have a fairly good way on both sides of inventorying weapons that are actually deployed. But we would like to have a free and accurate exchange with the Soviet Union about how many weapons they have and how many we have, so that we can monitor much more closely any deviations from those figures in the future.

Q. If I could follow, would that include any kind of verification?

THE PRESIDENT. Yes. We would like to have the subject of verification opened up dramatically. For instance, in a comprehensive test ban, we would like to have onsite inspection. The Soviets have never agreed to this principle, but they have mentioned it a couple of times in the discussions. Foreign Minister Gromyko last year filed a statement at the United Nations that mentioned the possibility of onsite inspections. But we feel that verification is a very crucial element in a comprehensive arms limitation agreement. Verification obviously includes an absence of concealment, and verification to a lesser degree also includes the data base to which I just referred.

One more question.

Q. May I ask, please? Has the breakdown of these talks in any way influenced your thinking on development of future U.S. weaponry; that is, will you be now more inclined to go for full production of the B-1 or any other advanced weapon systems?

THE PRESIDENT. Obviously, if we feel at the conclusion of next month's discussions that the Soviets are not acting in good faith with us and that an agreement is unlikely, then I would be forced to consider a much more deep commitment to the development and deployment of additional weapons. But I would like to forego that decision until I'm convinced the Soviets are not acting in good faith. I hope they will. Let me answer one question from Wes [Wes Pippert, United Press International].

Q. I was going to offer the "thank you."

THE PRESIDENT. Okay; fine.

Q. Mr. President, one question about the deep cuts. Because the Soviets seem to have more delivery systems today than we do, is there objection that they would have to destroy more weapons than we

would have to if you did get those deep cuts?

THE PRESIDENT. Deep cuts would affect both of us about the same. Shallow cuts, say, from 2,400 down to 2,200 on launchers would affect the Soviets much more adversely than it would us. Part of our package involved the very heavy missiles, the SS-9 and SS-18, which now stand at a 308 level. We included in our package a substantial reduction below that figure.

I think that the details of our proposal would probably best be revealed later. I'm a little constrained about the details, because Secretary Vance and Mr. Gromyko still have agreements among themselves about revelations of the negotiations with which I'm not yet familiar. But I think later on those exact figures can be made available.

Thank you.

REPORTER. Thank you.

NOTE: The President spoke at 4:50 p.m. in the Briefing Room at the White House. Prior to his remarks, the President discussed the status of the negotiations with congressional leaders in the Cabinet Room.

National Women's Political Caucus

Remarks at a Reception for Members of the Organization. March 30, 1977

First of all, I want to thank you for letting me interrupt your meeting. If it's one person I don't like to follow, it's Barbara Mikulski. She always makes me feel inept and tongue-tied and without humor.

But I do thank you for having me come over. I'm glad to bring my wife, Rosalynn.

I think you've just done two things. One is to stand in silence to honor a woman who was a pioneer in a demonstration of courage in the early days of the

civil rights movement, Fanny Lou Hamer. And you've also just recognized a woman who will move into Government, I hope very shortly, to continue that very strong and able fight for civil rights, particularly for women and minority groups, Eleanor Holmes Norton.

I've had the pleasure lately of working with Midge Costanza in choosing some of the women who will meet this year in a continuation of the 1975 Women's Year conventions. They include, as you know, Gloria Steinem, and they include Betty Ford, who's agreed to serve—I'm very grateful for that—and Bella Abzug, who will be the chairman, and others, about 40 other women, who will represent our Nation in a continuing international discussion of women's rights. I'm proud of this effort, and I'm proud to be part of it.

I'd like to say just a couple of other things, though, that relate, some directly, to you and to women who look to you for leadership which are kind of tied in with the other responsibilities that I have as President.

I spent this afternoon receiving reports from Secretary of State Cy Vance on his discussions with the Soviet leaders concerning the control, the strict limitation, and the drastic reduction in nuclear weapons. This is a subject that hasn't been raised in a forceful way before. Previously, we have talked and the Soviets have talked about ultimate limits well above where we presently have stood. Now we are talking about an end to the development, the design, the deployment of new weapons systems; a drastic reduction in intercontinental ballistics missiles we have now; a comprehensive test ban, both military weapon testing and peaceful nuclear device testing; a demilitarization of the Indian Ocean; a strict limitation on the proliferation of nuclear weapon capability to other countries; a strict limitation and reduction in conven-

tional weapon capability; a mutual effort on the part of us, the Soviet Union, France, Germany on sales of conventional weapons to other nations.

We're trying to do all these things. We need your help. And they are crucial to every person and, particularly, to a group as well organized and as forceful as you are.

We're also hopeful that in the future we can have success in our effort to identify abuses and to correct the abuses and to set a new standard in the preservation of human rights throughout the world. I don't intend to yield on this position, because I think it represents what our Nation is and what the world ought to be.

Your forceful voices in constantly espousing the cause of human rights would help me a great deal and help the Members of Congress and help other leaders of our Nation to establish a corps of moral commitment that can restore the legitimate pride in our country, to the extent that it has been diminished, and reestablish the United States of America as the rallying point for human rights around the world. We've not enjoyed that position in recent years. But I'm determined that once again, we'll be a beacon light for those who believe in human rights all over the globe. And you can help me with it if you will.

On the domestic scene, there are just two or three other items. I'd like to mention to you. One, of course, is the passage of the equal rights amendment. I and my wife and my daughter-in-law and others have tried as best we could to join with you in the furtherance of this noble and very necessary change in the United States Constitution.

You might be interested in knowing that the first time I met Ambassador Dobrynin from the Soviet Union he brought up the subject of human rights. And I said, "Well, my position is strong. It's not

going to change." He said, "Well, let me point out that the United States is not without fault itself." I said, "I know that, but what do you mean?" He said, "Well, you still haven't ratified the equal rights amendment." And I said, "I tell you what. I'll try to help you with human rights in the Soviet Union; you help me get the equal rights amendment passed in the United States." [*Laughter*]

But to be serious about it, our failure to pass the equal rights amendment hurts us as we try to set a standard of commitment to human rights throughout the world. I hope we can correct that defect by next year at the latest.

Just a couple of other points. Watch very carefully and participate deeply in the evolution of a new energy policy. This could have broad and far-reaching impact on everyone who looks to you for leadership.

The same thing applies to basic welfare reform that's going to be presented to the Nation on the 1st of May; energy policy, the 20th of April.

Another very major effort that we are undertaking this year on which I need your help is basic tax reform, income tax reform. This will be presented to the American people by the end of September. There are many other major goals that I tried to express as a commitment to the American people during the long campaign. They all touch your lives in one way or the other.

I don't claim to know all the answers. I need you to help me with your support when you agree, with your advice when we're evolving policy, and with your criticism when you think I've made a mistake. I need all three.

And I pledge to you a continuing, unswerving, never-diminishing commitment on my part, as your President, to the goals that you and I know are crucial to a better life for all Americans, including of course

the majority of Americans who happen to be women.

Thank you very much. I love all of you, and I appreciate it. Thank you.

NOTE: The President spoke at 6:50 p.m. at the Corcoran Gallery of Art after being introduced by Representative Barbara Mikulski of Maryland.

Following his remarks at the reception, the President and Mrs. Carter were taken on a tour of the exhibits by Corcoran Director Roy Slade.

1977 Cherry Blossom Festival

Remarks on Greeting the Festival Princesses. March 31, 1977

Sometimes I wonder why I spent 2 years running for President, and this morning I know.

Well, this is a delightful occasion for me. We tried to arrange for the crab apple trees in the back to be blooming this morning. They just started. Every morning since I have been President I have come out, sometimes even before day-break, and watched these trees. And the Japanese magnolias have just gone away, and the crab apples just started blooming yesterday, so you can see what it's done for you.

The cherry blossom occasion every year in our National Capital is a delightful, I think, possibility for us to renew our own spirits and to look to the future of the year with a true springtime attitude.

The choice of a beautiful young American girl to represent us in this celebration is an annual affair that means a lot to us. I understand that the winner will be chosen by lot. I wouldn't mind judging that kind of beauty contest, but I think that's a good way to do it. I think this might be a good thing for some of the

primaries to adopt in future Presidential elections—just spin a wheel—and it would be a lot cheaper.

But I think this is a good occasion for us also to remember our friends overseas. Prime Minister Fukuda was in town just recently. And just the fact that the cherry blossoms bloom every year is a true indication of friendship that exists not only among our own people but with our friends in Japan.

And I am very deeply grateful this morning for a chance to meet these lovely young women, to recement my own friendships with, I think, the 49 States represented here today, and to let them know how much I appreciate their coming.

I am very proud of all of you. You are at the age and you have a springtime spirit in your own lives which is encouraging to us all.

I know that we are all trying together, those of us in government, those outside of government, to renew the spirit in our country that has made this a great nation. And as we deal with very serious problems like SALT negotiations, and as we deal with problems involving human rights, and as we try to lessen the danger to human beings around the world and to restore a spirit of friendship and understanding, you represent the kind of ideals that have always made this country great.

I am thankful to you. I have enjoyed meeting you this morning, and I hope that we've formed a friendship that will last for a long time in the future.

Thank you again, and I love all of you.

NOTE: The President spoke at 10:10 a.m. in the Rose Garden at the White House.

The festival is sponsored annually by the National Conference of State Societies. Each year princesses are chosen to represent the 50 States, the District of Columbia, Puerto Rico, and Guam.

Department of the Treasury

Nomination of Joseph Laitin To Be an Assistant Secretary. March 31, 1977

The President today announced that he will nominate Joseph Laitin, of Bethesda, Md., to be Assistant Secretary of the Treasury (Public Affairs). Laitin has served as Public Affairs Officer of the Federal Aviation Administration since 1975.

He was born on October 2, 1914, in Brooklyn, N.Y. He graduated from Richmond Hill High School in 1933.

From 1953 to 1963, Laitin worked as a free-lance writer, an instructor at the Art Center School in Los Angeles, and a broadcaster for CBS and ABC. He wrote, narrated, and produced the CBS award-winning documentary, "The Changing Face of Hollywood."

From 1963 to 1975, Laitin served as Public Affairs Officer for the Bureau of the Budget, spending the period from February 1965 to July 1966 as an Assistant White House Press Secretary, on detail from BOB.

In 1975 he served as Assistant Secretary of Defense for Public Affairs and, in December of that year, he became the Public Affairs Officer for the FAA.

During the time he was at the Bureau of the Budget, Laitin served on various Presidential Commissions, including the National Commission on the Causes and Prevention of Violence. In 1975 he received the Medal for Distinguished Public Service from the Department of Defense.

Federal Energy Administration

Nomination of David J. Bardin To Be a Deputy Administrator. March 31, 1977

The President today announced that he will nominate David J. Bardin, of

Trenton, N.J., to be a Deputy Administrator of the Federal Energy Administration. Bardin is commissioner of the Department of Environmental Protection for the State of New Jersey.

He was born on June 2, 1933, in New York City. He received an A.B. degree from Columbia College in 1954 and an LL.B. from Columbia University Law School in 1956 which was converted to a J.D. in 1969. He served in the U.S. Army from 1956 to 1958.

Bardin was a lecturer at the University of Virginia in 1958, and from 1958 to 1969 worked for the Federal Power Commission as a trial attorney (until 1965), Assistant General Counsel for Legislation, Rulemaking, and Research (1965-67), and Deputy General Counsel (1967-69).

From 1970 to 1972, Bardin was assistant to the Attorney General of Israel, dealing with public utilities, administrative and environmental law. From 1972 to 1974, he was a self-employed attorney and consultant in Jerusalem and Washington, serving as counsel to the Israel National Council for Research and Development, counsel to the Environmental Protection Service of Israel, and as a lecturer at Bar-Ilan Law School and Tel Aviv University Law School on environmental law.

Since 1974 Bardin has been commissioner of the New Jersey Department of Environmental Protection, State Historic Sites Preservation Officer, and liaison officer with the Federal Bureau of Outdoor Recreation. He also serves on the Governor's Cabinet Energy Committee, the Governor's Committee on Emergency Services, the New Jersey Bicentennial Commission, and the Economic Development Authority of New Jersey.

He has served on the U.S. Department of the Interior's Outer Continental Shelf Advisory Board and on the U.S. Office of

Technology Assessment Advisory Panel on the Offshore Technologies Study.

of the Public Service Commission of Kentucky. He was a delegate to the Democratic National Convention in 1964.

Federal Highway Administration

Nomination of William M. Cox To Be Administrator. March 31, 1977

The President today announced that he will nominate William M. Cox, of Madisonville, Ky., to be Administrator of the Federal Highway Administration. Cox is vice president of Ligon Specialized Hauler, Inc., in Madisonville.

Cox was born on February 4, 1942, in Madisonville, Ky. He received a B.A. in political science and history from the University of Kentucky in 1965.

In 1966 and 1967, he served as executive vice president of the Madisonville Chamber of Commerce. From 1967 to 1969, he worked for Ligon Specialized Hauler, first as a sales representative for Kentucky, then as general sales manager for the firm. In 1970 Cox opened his own small moving and storage company, Cox Cartage and Storage, which he sold in 1971.

From 1971 to 1974, Cox served as chief executive assistant to then Lieutenant Governor Julian M. Carroll of Kentucky. From 1974 to 1975, he served as State campaign chairman for Carroll's gubernatorial campaign and, during the summer of 1975, he served as special assistant to Governor Carroll.

In 1975 Cox became vice president for corporate administration of Ligon Specialized Hauler, an irregular route common carrier operating approximately 700 five-axle tractor-trailer units. Since 1976 he has been senior vice president of the operations department.

Cox is president of the Kentucky Motor Transport Association and vice-chairman

Sockeye Salmon Fisheries Convention

Message to the Senate Transmitting a Protocol. March 31, 1977

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the Protocol between the Government of the United States of America and the Government of Canada to Amend the Convention for the Protection, Preservation and Extension of the Sockeye Salmon Fisheries in the Fraser River System, as Amended, signed at Washington on February 24, 1977. I also transmit, for the information of the Senate, the report of the Department of State with respect to the Protocol.

The present Protocol increases the size of the Advisory Committee to the International Pacific Salmon Fisheries Commission from six members from each country to seven members from each country. The additional positions will enable the United States to provide for a native Indian adviser while continuing to have representatives on the Committee from all the presently represented parties.

An Indian adviser is particularly necessary at this time in light of recent court decisions dealing with Indian fishing rights. I recommend that the Senate give early and favorable consideration to the Protocol and give its advice and consent to ratification.

JIMMY CARTER

The White House,
March 31, 1977.

NOTE: The message was not issued in the form of a White House press release.

Advisory Commission on Intergovernmental Relations

Appointment of Three Members to the Commission. April 1, 1977

The President today announced the appointment of Secretary of the Treasury Michael Blumenthal, Secretary of Commerce, Juanita Kreps, and OMB Director Bert Lance as members of the Advisory Commission on Intergovernmental Relations.

The Commission was established in 1959 to maintain a continuing review of the operation of the Federal system and make recommendations for improvements.

It consists of 26 members serving terms of 2 years. Of the 26 members, 20 are appointed by the President, 3 by the President of the Senate, and 3 by the Speaker of the House.

Department of Defense

Nomination of Deanne C. Siemer To Be General Counsel. April 1, 1977

The President today announced that he will nominate Deanne C. Siemer, of Strykersville, N.Y., to be General Counsel of the Department of Defense. She is presently an attorney with the Washington law firm of Wilmer, Cutler and Pickering.

Ms. Siemer was born on December 25, 1940, in Buffalo, N.Y. She received a B.A. degree from George Washington University in 1962. In 1963 and 1964, she studied at the University of Hawaii, including field study in Thailand.

In 1964 and 1965, Siemer worked for the Office of Management and Budget as an examiner in the foreign affairs area. She attended Harvard Law School from

1965 to 1968, receiving an LL.B. degree cum laude.

Since 1968 she has been with Wilmer, Cutler and Pickering. She has also served as a part-time faculty member at the National Institute for Trial Advocacy in 1975-76, and at the University of Buffalo Law School in 1974-75, and as a lawyer-adviser for the trial practice course at Harvard Law School.

She has held an East-West Center Scholarship and has been president of the Harvard Legal Aid Bureau.

Department of Defense

Nomination of Russell Murray II To Be an Assistant Secretary. April 1, 1977

The President today announced that he will nominate Russell Murray II to be an Assistant Secretary of Defense. His area of responsibility will be Program Analysis and Evaluation. Murray is presently a member of the Board of Overseers, Director of Review, and a member of the Chief of Naval Operations Executive Panel at the Center for Naval Analyses.

He was born on December 5, 1925, in Woodmere, N.Y. He received a B.S. (1949) and an M.S. (1950) in aeronautical engineering from Massachusetts Institute of Technology.

From 1950 to 1962, Murray worked for Grumman Aircraft Engineering Corp., in Bethpage, N.Y., serving as a guided missile flight test engineer from 1950 to 1953, and as assistant chief of operations analysis from 1953 to 1962.

He served in the office of the Secretary of Defense from 1962 to 1969 as Principal Deputy Assistant Secretary of Defense for Systems Analysis and was awarded the Secretary of Defense Meritorious Civilian Service Medal.

Murray was director of long-range planning for Pfizer International in New York City from 1969 until 1973, when he joined the staff of the Center for Naval Analyses.

Department of the Navy

Nomination of Edward Hidalgo To Be an Assistant Secretary. April 1, 1977

The President today announced that he will nominate Edward Hidalgo, of Washington, D.C., to be Assistant Secretary of the Navy (Manpower and Logistics). Hidalgo was General Counsel of the U.S. Information Agency from 1973 to 1976.

Hidalgo was born in Mexico City, Mexico, on October 12, 1912. He has been a citizen and resident of the United States since early childhood. He received a B.A. from Holy Cross College in 1933 and a J.D. from Columbia Law School in 1936. In 1959 he received a degree in civil law from the University of Mexico. He served as a lieutenant in the U.S. Naval Reserve from 1942 to 1946.

He served as a law clerk to the Second Circuit Court of Appeals in 1936 and 1937, and was an associate with the law firm of Wright, Gordon, Zachry & Parlin (Cahill, Gordon & Reindel) from 1937 to 1942. From 1942 to 1943, he was assigned to the State Department as a legal adviser to the Ambassador to the Emergency Advisory Committee for Political Defense in Montevideo.

From 1943 to 1945, he served as an air combat intelligence officer on the carrier *Enterprise*, and he was a member of the Eberstadt Committee which reported to the Secretary of the Navy on unification of the military services in 1945. He received the Bronze Star for his services aboard the *Enterprise* and a Commenda-

tion Ribbon for his service with the Eberstadt Committee. In 1945 and 1946, he served as Special Assistant to the Secretary of the Navy.

From 1946 to 1948, Hidalgo was a partner with the law firm of Curtis, Mallet-Prevost, Colt & Mosle, in charge of their Mexico City office. He was a founder in 1948 and a senior partner until 1965 in the Mexico City law firm of Hidalgo, Barrera, Siqueiros & Torres Landa.

From 1965 to 1966, Hidalgo was Special Assistant to the Secretary of the Navy, and from 1966 to 1972 he was a partner in the law firm of Cahill, Gordon & Reindel, in charge of their European office. In 1972 he served as Special Assistant for Economic Affairs to the Director of USIA, and in 1973 he became General Counsel and congressional liaison of the Agency.

Hidalgo was a member of the U.S. delegation to the Inter-American Conference in Bogota, Colombia, in 1948. He has received the Royal Order of the Vasa for legal services to the Swedish government. He is the author of "Legal Aspects of Foreign Investments" (1958).

American Non-Rubber Footwear Industry

Statement on Administration Actions. April 1, 1977

I am very reluctant to restrict international trade in any way. For 40 years, the United States has worked for the reduction of trade barriers around the world, and we are continuing to pursue this goal because this is the surest long-range way to create jobs here and abroad. Only problems as extreme as those faced by the American shoe industry could force me to seek even modest mandatory limits on im-

ports. I have seen those special problems firsthand during visits to many shoe plants throughout the country.

The number of firms in the shoe industry dropped from 600 in 1968 to 380 today—a 40 percent decline. Employment in that same period fell by 30 percent, which represents a loss of 70,000 jobs. Imports from our two major overseas suppliers have increased by more than 100 percent in the last 2 years and seem to be increasing even more rapidly in recent months.

I have decided to reject the restrictive tariff rate quota recommended by the International Trade Commission because that recommendation did not fairly balance our concerns for domestic jobs and production, inflationary pressures, and expanded world trade.

But I have also decided to grant import relief to our domestic shoe industry and have therefore instructed Special Trade Representative Robert Strauss to negotiate orderly marketing agreements with the appropriate foreign suppliers of shoes.

Over the long haul, the solution to difficulties in the shoe industry lies not in the restriction of imports but elsewhere—in innovation and modernization of our own production facilities and the financing to make these possible.

The American shoe industry needs an expanded and more effective program of assistance to help it meet foreign competition. I have directed the Secretary of Commerce to work directly with the Secretary of Labor and Ambassador Strauss in developing such a program. Toward this end, these officials will see that existing assistance programs work better.

In addition, I will recommend to Congress within 90 days any legislation which may be needed to provide:

—Technological aid to increase production efficiency and develop new production methods.

—Data and market research to pinpoint new marketing opportunities.

—Assistance for affected communities and workers.

—Help with promotion and marketing services.

—Financial assistance to support these initiatives.

American Non-Rubber Footwear Industry

Message to the Congress Transmitting a Report. April 1, 1977

To the Congress of the United States:

In accordance with Section 203(b) (1) of the Trade Act of 1974, enclosed is a report to the Congress setting forth the action that I am taking pursuant to that section with respect to import relief for the U.S. non-rubber footwear industry, and explaining the reasons for my decision.

JIMMY CARTER

The White House,

April 1, 1977.

IMPORT RELIEF—NONRUBBER FOOTWEAR

As required under section 203(b) (1) of the Trade Act of 1974, I am transmitting this report to Congress setting forth the actions I will take with respect to non-rubber footwear covered by the affirmative finding on February 8, 1977 of the United States International Trade Commission (USITC) under section 201(d) (1) of the Trade Act. As my action differs from that recommended by the USITC, I have included the reasons for my decisions:

I have determined that the import relief recommended by the Commission does not represent an appropriate balance

among the industry, labor, consumer, and international interest involved:

1. The remedy would be highly inflationary and add substantially to consumer costs, particularly those of low and middle income purchasers of footwear.

2. While some jobs would be saved and some new jobs generated, the consumer cost per job would be excessive under the Commission remedy.

3. Imposition of a remedy as restrictive as that of the USITC would weaken U.S. leadership in international efforts to reduce trade barriers and would make it more difficult for other governments to deny increased protection to their industries that face increased import competition.

4. The Commission's allocation of its tariff rate quota among supplying countries is inequitable and would be particularly burdensome on developing countries.

5. Adversely affected countries would have the right to impose retaliatory restrictions against U.S. exports. Retaliation is normally avoided by granting compensatory U.S. tariff cuts on products of trade interest to the countries affected. But this means that other domestic industries and workers would pay a large bill for the high level of relief given to the shoe industry.

6. The USITC remedy would generate additional domestic production and jobs but special adjustment programs would also be required to help the weaker firms to become competitive in the long run. The breathing spell needed before the results of such a special program could be realized need not be as long as the five years recommended by the Commission.

In order to provide a better balance among the various elements of the na-

tional economic interest I have directed the Special Trade Representative to seek the necessary agreements with the appropriate foreign exporting countries to moderate the problems caused to our industry by rapid shifts in trade. This program is designed to allow the domestic industry to become more competitive. I have asked the Secretaries of Commerce and Labor to work closely with the Special Trade Representative to ensure effective use of the resources available under existing law for the benefit of the shoe industry and the communities in which shoe plants are located.

In addition, I am ordering a full review of the Government's trade adjustment assistance programs, and will recommend to the Congress within the next 90 days any legislation which may be warranted. This will coincide with the Special Trade Representative's negotiating effort, and in accordance with the law, we will present a detailed program of relief no later than 90 days from today.

NOTE: The message was not issued in the form of a White House press release.

American Non-Rubber Footwear Industry

Memorandum for the Special Representative for Trade Negotiations. April 1, 1977

Memorandum for the Special Representative for Trade Negotiations

Subject: Decision on Non-Rubber Footwear Under Section 202(b) of the Trade Act of 1974.

Pursuant to section 202(b) of the Trade Act of 1974 (PL 93-618, 88 Stat. 1978), I have determined the action I will take with respect to the report of the U.S. International Trade Commission

(USITC) dated February 8, 1977, concerning the results of its investigation on non-rubber footwear. This investigation was undertaken at the request of the Senate Finance Committee.

I have determined that the import relief remedy recommended by the USITC does not provide a balance among the various interests involved. Therefore, I am directing you to negotiate and conclude the necessary agreements with the appropriate foreign exporting countries to moderate the problems caused to our domestic footwear manufacturers, workers, and communities by rapid shifts in foreign exports of non-rubber footwear to the United States. This should be a short term program sufficient to allow the domestic industry to become more competitive.

In seeking these agreements you should remain mindful of the interests of American consumers and the difficult economic problems faced by a number of our trading partners, in particular the developing country suppliers with serious balance of payments deficits.

I am also asking the Secretaries of Commerce and Labor to work closely with you to ensure effective use of the resources available under existing law for the benefit of the shoe industry and the communities in which shoe plants are located.

In addition, I am ordering a full review of the Government's trade adjustment assistance program and will recommend to the Congress within the next 90 days any legislation which may be warranted. This will coincide with your negotiating effort, and in accordance with the law, I will present a program of relief to the Congress no later than 90 days from today.

This determination is to be published in the FEDERAL REGISTER.

JIMMY CARTER

NOTE: The memorandum was not issued in the form of a White House press release.

American Non-Rubber Footwear Industry

Memorandum for the Heads of Certain Departments and Agencies. April 1, 1977

Memorandum for the Secretary of State, Secretary of the Treasury, Secretary of Defense, Secretary of Agriculture, Secretary of Commerce, Secretary of Labor, Secretary of Housing and Urban Development, Special Representative for Trade Negotiations, Administrator, Small Business Administration, and Chairman, Council of Economic Advisers

I have today decided upon a program to assist the domestic non-rubber footwear industry to become more efficient. The goals of the program are threefold: to help the industry become more competitive; to support the industry in the development of new business opportunities; and to provide jobs for affected workers.

I am charging the Secretary of Commerce, in coordination with the Secretary of Labor and the Special Trade Representative, with the responsibility of ensuring effective use of the resources available under existing law for the benefit of the non-rubber footwear industry, its workers and the communities in which non-rubber footwear plants are located, including, where necessary, developing alternative employment opportunities for the affected workers. It is imperative that your Department or Agency give its full assistance to these efforts.

I am also ordering the Secretaries of Commerce and Labor and the Special Trade Representative to conduct a full review of the Government's trade adjustment assistance programs. This review will examine the means by which Government can encourage the revitalization of trade-impacted industries through technological support and guidance, data and market research, and marketing and promotion services.

The review should also focus on the improvements in the administration and organization of adjustment assistance; the removal of impediments to effective adjustment assistance that can be accomplished under existing law; and the exploration of new legislative initiatives. Within the next 90 days, I will present a comprehensive trade adjustment assistance program, including any legislation which may be warranted.

This effort will require your Department or Agency's full cooperation and support if effective proposals are to be developed.

JIMMY CARTER

NOTE: The memorandum was not issued in the form of a White House press release.

Department of Commerce

Nomination of Jordan J. Baruch To Be an Assistant Secretary. April 1, 1977

The President today announced that he will nominate Jordan J. Baruch, of Hanover, N.H., to be Assistant Secretary of Commerce (Science and Technology). Baruch is a professor of business administration at the Amos Tuck School of Business Administration, Dartmouth University, and of engineering at the Thayer School of Engineering at Dartmouth.

He was born in New York City on August 21, 1923. He received a B.S. and an

S.M. in electrical engineering in 1948 and an Sc.D. in electrical instrumentation in 1950 from Massachusetts Institute of Technology.

Baruch was an assistant professor at M.I.T. from 1950 to 1955, and a lecturer there from 1955 to 1971. He has also served as a director of Bolt, Beranek and Newman, Inc., since 1953 and as a consultant since 1966. From 1966 to 1968, he was also general manager of the Medinet department of General Electric.

Baruch was a lecturer in business administration at Harvard University Graduate School of Business Administration from 1970 until 1974, when he joined the faculties of the graduate schools of business administration and engineering at Dartmouth.

From 1968 to 1970, Baruch was president of Educom, a consortium of 100 colleges and universities. He was a consulting member of the Committee on Technology in the Service Industries, Federal Council on Science and Technology, from 1970 to 1973, and a member of the ad hoc planning panel of the National Center for Health Care Delivery Systems of the Department of Health, Education, and Welfare in 1971.

Since 1971, he has been a member of the Experimental Technology Incentives Program and the Institute for Comparative Science and Technology of the National Academy of Sciences Advisory and Evaluation Panel, National Bureau of Standards. He was chairman of the latter institute from 1974 to 1976. Baruch was a member of the Science Information Council of the National Science Foundation from 1971 to 1974.

Baruch is a fellow of the American Academy of Arts and Sciences, the American Association for the Advancement of Science, and the Institute of Electronic and Electrical Engineers. In 1976 he was chairman of the Committee on Technol-

ogy and Health Care of the National Research Council/Institute of Medicine.

Termination of Natural Gas Emergency

Proclamation 4495. April 1, 1977

By the President of the United States of America

A Proclamation

On February 2, 1977, Proclamation No. 4485 was issued which proclaimed and declared the existence of a natural gas emergency within the meaning of Section 3 of the Emergency Natural Gas Act of 1977. Such action was necessary because of the imminent shortage of natural gas for high-priority uses and the inadequacy of remedial measures other than the extraordinary measures authorized by Section 4 of that Act. Section 3 of the Emergency Natural Gas Act of 1977, however, requires termination of such emergency when the President finds that such shortages no longer exist and are no longer imminent.

I now find that the severe natural gas shortages which necessitated the declaration of a natural gas emergency within the meaning of Section 3 of said Act no longer exist and are no longer imminent.

Now, THEREFORE, I, JIMMY CARTER, President of the United States of America, by virtue of the authority vested in me by the Constitution and statutes of the United States, including the Emergency Natural Gas Act of 1977, do hereby proclaim and declare that the natural gas emergency declared to exist by Proclamation No. 4485 of February 2, 1977 is terminated.

The fact that this winter's natural gas emergency is over in no way signals an

end to our energy crisis. On the contrary, it is a reminder that our natural gas supply is far short of potential demand. Unless we take remedial action to develop a natural gas policy as part of a comprehensive energy policy, our economy, and even our homes, will be in increasing danger with each passing year. On April 20, 1977, I shall propose a policy to provide a long-term solution to our energy problems.

IN WITNESS WHEREOF, I have hereunto set my hand this first day of April, in the year of our Lord nineteen hundred seventy-seven, and of the Independence of the United States of America the two hundred and first.

JIMMY CARTER

[Filed with the Office of the Federal Register, 4:59 p.m., April 1, 1977]

Digest of Other White House Announcements

The following listing includes the President's daily schedule and other items of general interest as announced by the White House Press Office during the period covered by this issue. Events and announcements printed elsewhere in the issue are not included.

March 27

The President returned to the White House from Camp David, Md.

March 28

The President met at the White House with:

- Zbigniew Brzezinski, Assistant to the President for National Security Affairs;
- senior White House staff members;
- the Cabinet;
- Vice President Walter F. Mondale;

Administration of Jimmy Carter, 1977

- Assistant to the President James R. Schlesinger;
- Soccer player Edson Arantes do Nascimento (Pelé);
- the Economic Policy Group.

The White House announced that Roy Jenkins, President of the Commission of the European Communities, will visit Washington April 18–19 for meetings with President Carter and senior U.S. officials.

March 29

The President met at the White House with:

- Dr. Brzezinski;
- Charles L. Schultze, Chairman of the Council of Economic Advisers;
- Secretary of the Treasury W. Michael Blumenthal;
- Vice President Mondale, Adm. Stansfield Turner, Director of Central Intelligence, and Dr. Brzezinski;
- Representative Phillip Burton of California;
- members of the President's Commission on Mental Health;
- representatives of small business associations;
- Secretary of Defense Harold Brown.

The White House announced that Mario Soares, Prime Minister of Portugal, will meet with the President in Washington on April 21.

The President today transmitted to the Congress the annual report on the National Cancer Program for calendar year 1975 prepared by the Director of the National Cancer Institute.

The White House announced that earlier this month, Secretary of State Vance forwarded to the President \$3.6 billion worth of arms sales proposals for possible transmittal to the Congress. After personally reviewing each proposed sale, the President on March 27 directed a selected

number of sales, totaling just over \$2 billion, to be transmitted to Congress. Of these \$2 billion which he has directed to be transmitted, over half of those are sales involving either construction or follow-on logistic support for systems already sold. And the bulk of the remaining cases are weapons transfers to NATO countries. The decisions on the remaining cases will be made when an interagency policy review is completed in April.

March 30

The President met at the White House with:

- Dr. Brzezinski;
- the selection committee to recommend a Chairman of the National Endowment for the Humanities;
- Gov. J. James Exon of Nebraska;
- Dr. Frank Press, Director-designate of the Office of Science and Technology Policy.

The President today transmitted to the Congress the annual report of the Civil Service Commission for fiscal year 1975.

At his regular news conference today, Press Secretary Jody Powell read a correction for the record concerning a White House press release of March 2, 1977 (page 274 of this volume). Mr. Powell stated, "We indicated on March 2 with regard to the development of a national energy policy that the mail would go to the general public seeking their views on the energy situation; that the mailing would be drawn from the census lists. That was incorrect. It is, in fact, illegal to draw names from the census lists. So, we didn't do it. In fact, we did in fact use mailing lists obtained from the Reuben H. Donnelley Company. They were random samplings based on Bureau of Census data. The mailing went forward, but just from a different list process."

Administration of Jimmy Carter, 1977

March 31

The President met at the White House with:

- Dr. Brzezinski;
- entertainer Billy Eckstine;
- Dr. Schlesinger;
- winners of the White House News Photographers Association competition.

The President today transmitted to the Congress the budget of the District of Columbia for fiscal year 1978.

The President today declared an emergency for the States of Iowa and Washington because of the impact of a drought.

April 1

The President met at the White House with:

- Dr. Brzezinski;
- Mr. Lance;
- Senator Floyd K. Haskell of Colorado and representatives of the Rocky Mountain Farmers Union;
- Vice President Mondale, Admiral Turner, and Dr. Brzezinski;
- Senator Herman E. Talmadge of Georgia;
- Gov. Joseph P. Teasdale of Missouri.

The White House announced that the President has requested that the Secretary of Defense dispose of the Presidential yacht *Sequoia* by offering it for public sale.

NOMINATIONS SUBMITTED TO THE SENATE

The following list does not include promotions of members of the Uniformed Services, nominations to the Service Academies, or nominations of Foreign Service officers.

Submitted March 29, 1977

RICHARD N. COOPER, of Connecticut, to be Under Secretary of State for Economic Affairs.

NOMINATIONS—Continued Submitted March 29—Continued

DONALD F. McHENRY, of Illinois, to be Deputy Representative of the United States of America in the Security Council of the United Nations, with the rank of Ambassador.

THOMAS E. LYDON, JR., of South Carolina, to be United States Attorney for the District of South Carolina for the term of 4 years, vice Mark W. Buyck, Jr., resigned.

HOWELL W. MELTON, of Florida, to be United States District Judge for the Middle District of Florida, vice Gerald B. Tjoflat, elevated.

Submitted March 30, 1977

JOAN MARIARENEE DAVENPORT, of New Jersey, to be an Assistant Secretary of the Interior, vice William L. Fisher, resigned.

ALEX P. MERCURE, of New Mexico, to be an Assistant Secretary of Agriculture, vice William H. Walker III, resigned.

ALEX P. MERCURE, of New Mexico, to be a member of the Board of Directors of the Commodity Credit Corporation, vice Kenneth E. Frick, resigned.

JOHN C. WHITE, of Texas, to be a member of the Board of Directors of the Commodity Credit Corporation, vice John A. Knebel, resigned.

LANGHORNE MCCOOK BOND, of Illinois, to be Administrator of the Federal Aviation Administration, vice John L. McLucas, resigned.

JOHN LOVELL MOORE, JR., of Georgia, to be President of the Export-Import Bank of the United States, vice Stephen M. DuBrul, Jr., resigning.

HAROLD MARVIN WILLIAMS, of California, to be a member of the Securities and Exchange Commission for the remainder of the term expiring June 5, 1977, vice Roderick M. Hills, resigning.

HAROLD MARVIN WILLIAMS, of California, to be a member of the Securities and Exchange Commission for the term expiring June 5, 1982 (reappointment).

QUENTIN SAINT CLAIR TAYLOR, of Maine, to be Deputy Administrator of the Federal Aviation Administration, vice James E. Dow, resigned.

Submitted March 31, 1977

JOSEPH LAITIN, of Maryland, to be an Assistant Secretary of the Treasury, vice David Robert Macdonald, resigned.

NOMINATIONS—Continued
Submitted March 31—Continued

WILLIAM MEREDITH COX, of Kentucky, to be Administrator of the Federal Highway Administration, vice Norbert T. Tiemann, resigned.

DAVID J. BARDIN, of New Jersey, to be a Deputy Administrator of the Federal Energy Administration, vice Eric R. Zausner, resigned.

Submitted April 1, 1977

RUSSELL MURRAY II, of Virginia, to be an Assistant Secretary of Defense, vice Frank A. Shrontz, resigned.

DEANNE C. SIEMER, of New York, to be General Counsel of the Department of Defense, vice Richard A. Wiley, resigned.

EDWARD HIDALGO, of the District of Columbia, to be an Assistant Secretary of the Navy, vice John J. Bennett.

**CHECKLIST OF WHITE HOUSE
PRESS RELEASES**

The following releases of the Office of the White House Press Secretary, distributed during the period covered by this issue, are not included in the issue.

Released March 29, 1977

Biographical data: Howell W. Melton, the President's nominee for United States District Judge for the Middle District of Florida

CHECKLIST—Continued
Released March 29—Continued

Biographical data: Thomas E. Lydon, Jr., the President's nominee for United States Attorney for the District of South Carolina

Released April 1, 1977

News conference: on SALT negotiations with the Soviet Union—by Dr. Zbigniew Brzezinski, Assistant to the President for National Security Affairs

New conference: on the President's decision on the non-rubber footwear industry—Robert S. Strauss, Special Representative for Trade Negotiations

**ACTS APPROVED BY
THE PRESIDENT**

Approved March 25, 1977

H.R. 3839----- Public Law 95-15
An act to rescind certain budget authority recommended in the message of the President of January 17, 1977 (H. Doc. 95-48), transmitted pursuant to the Impoundment Control Act of 1974.

Approved April 1, 1977

H.J. Res. 351----- Public Law 95-16
A joint resolution making further continuing appropriations for the fiscal year 1977, and for other purposes.

PRESIDENTIAL DOCUMENTS

Week Ending Friday, April 8, 1977

Secretary of State Vance's Meetings With Soviet Leaders

*Remarks of the President and
Secretary of State Cyrus Vance
in a Question-and-Answer Session
With Reporters. April 3, 1977*

REPORTER. Do you have any better understanding after this meeting as to why the Russians did what they did, rejecting our proposal?

THE PRESIDENT. I think it would be better to let the Secretary of State respond. I'll just say this: The two proposals that we put forward were, first, to ratify the Vladivostok agreements on items where there was no disagreement; and the second one was a very drastic overall reduction in nuclear weaponry for both sides.

And apparently, the Soviets were not ready to address the second proposal because it is so substantive and such a radical change from the past when strict limits were never proposed.

But I'd like for the Secretary of State to describe the general attitude of the Soviets, their personal reactions to the proposals, and their attitude toward the upcoming discussions in May. I think that's the most significant aspect of the thing.

SECRETARY VANCE. Yes. I think the President has described very well their attitude with respect to the comprehensive test ban. I hope that when they have a chance to reflect more on the details of that plan, that they will come up and raise any questions which they may have as to various aspects of it, which we of course are prepared to discuss with them.

They indicated very strongly that they wish to keep the talks going, and we accordingly set a date in mid-May for resumption of the discussions.

The attitude throughout all of the talks was both business-like and frank. I found the talks very useful, and I think you probably will also note that the Foreign Minister, Mr. Gromyko, said that he found the talks both useful and necessary. As I said before, arms control is a business which is not accomplished overnight. I think that we have cleared away some of the ground and that we will pick up and continue on from here.

Q. Mr. Secretary, can Mr. Brezhnev back away from the very strong, critical statements he has made about the American proposal now unless there is a major change in what you've put on the table?

SECRETARY VANCE. His statement with respect to the comprehensive proposal which we made was that he believed it to be one-sided and unfair. I would hope

that after they have reflected on it further, they will see that it is not. We believe it's a very fair proposal and that it takes into interest not only the concerns and problems on both sides, but that it really provides a stability in the strategic arms area which has never been possible before with the proposals which have been placed on the table. All they have done before is to put ceilings. Now we're talking about real arms control, where we're trying to get at the heart of the problem and really reduce the number of weapons.

Q. Mr. Secretary, do you feel the United States made any miscalculations at all in preparing for these talks?

SECRETARY VANCE. No one can say that one never makes any miscalculations. I think that we proceeded in a fair and appropriate way. And I hope that in the long run, people will see that that's a fact.

Q. Was the openness with which the administration approached these talks problematic? Had you been less open about it, would it have not put the Soviets in this difficult a position?

THE PRESIDENT. I think the general outlining of our proposal to the public was good. Also, Mr. Dobrynin, the Soviet Ambassador here, was fairly well conversant with the principles of both proposals—the ratification of the agreements at Vladivostok and the drastic reduction in weaponry on both sides. Both those items it was understood by Mr. Dobrynin before he went back to the Soviet Union before the talks began. So our proposals were not a shock to the Soviet leaders, but they obviously require a great deal of careful and long-term negotiations.

There is another significant point that has not been adequately emphasized, and that is, that in spite of an absence of an agreement on the drastic reductions—which we are going to pursue without cessation and with a great deal of deter-

mination and, I believe, ultimate success after long negotiations—there was an agreement that we set up—8 or 9 or 10 study groups that will begin work without delay on items that are equally important, or almost as important, not equally—a comprehensive test ban, Indian Ocean, prior notification of test firings, the problems of verification, the problems that relate to excessive expenditures on civil defense. These matters are of crucial importance. And the fact that the Soviets have agreed to continue negotiations on them and the comprehensive reduction in atomic weapons I think is very encouraging. We're determined to succeed, if it's humanly possible, to have permanent friendship with the Soviet Union and to have drastic reductions in international dependence on atomic weapons.

I think another point that ought to be made is that on the way home, the Secretary of State had long, detailed discussions with the leaders in Germany, France, and Britain about the negotiations in Moscow and also discussed with them potential solutions to the very important questions in the Cyprus area, the Middle East, Africa, and nonproliferation of atomic weapons, the control of sales of conventional arms to other parts of the world. So, I don't believe that a trip this brief could have accomplished any more. We're very encouraged and very determined.

Q. Mr. President, was there any indication that your statements on human rights played any part in these discussions?

THE PRESIDENT. No.

REPORTER. Thank you, sir.

NOTE: The question-and-answer session began at 3 p.m. in the Rose Garden at the White House. Secretary Vance met with the President to report on his trip to Moscow prior to the meeting with reporters.

The transcript of the question-and-answer session was made available by the White House Press Office. It was not issued in the form of a White House press release.

Visit of President Anwar al-Sadat of Egypt

Remarks of the President and President Sadat at the Welcoming Ceremony. April 4, 1977

PRESIDENT CARTER. First of all, let me say that the weather is not at all indicative of the warmth that we feel in our own hearts and minds for the visit of President and Mrs. Sadat. He said that he's very glad to see the rain, that in Egypt they don't get quite as much as we have here. And this is kind of a treat for him. I am looking forward to an opportunity to go to his great country.

One of the most exciting experiences that I have had was to visit recently the tremendous exhibit of just a few of the precious items from the Tomb of King Tutankhamen, or King Tut as most of us refer to it. My wife and I and our family went to the National Gallery. And we were overwhelmed at its beauty and the ancient heritage that belongs to Egypt. I believe that the sending of this exhibit to our country—and it is now moving from one great city to another—has been a good omen for the relationship that is going to continue to improve between the people of Egypt and the people of the United States.

President Sadat, people stood in line all night long, waiting to go in to see the exhibit. And I think I can truthfully say that of the almost one million Americans who visited this exhibit in Washington, none of them were disappointed and they thought that the wait in line was well worth it when they saw these treasures.

I am very grateful that I have been lucky enough to be President during this year, a year when President Sadat and other leaders in the Middle East have established a very special goal of major achievements in bringing peace to that troubled region of the world.

There are no easy answers. There have now been about 29 years of search for accommodation among the nations who inhabit that precious area of ground. And I think it's fair to say that with President Sadat's close relationship with his own people, their trust in him as a leader, his superb demonstration of courage to make statements of hope and determination that 1977 will be a fruitful year for negotiations, that he has been an inspiration to us all. He understands the complexities of the issues there. But he also sees very clearly, as I am beginning to learn, the tremendous benefits that can be derived if leaders like him and others can meet with a common purpose to establish peace on a permanent basis in the eastern part of the Mediterranean and among those nations who share a common heritage, a common history, common ancestors, the opportunities for improved trade, economic benefits for citizens there, an end to the military arms race, and an opportunity to live in harmony, one with another.

I'd also like to say that I have been looking forward to a chance to establish a close and personal friendship with President Sadat. I have never talked to an American leader in this administration or the past administrations in the executive branch of Government or in the Congress who had met him who didn't come away impressed with his sensitivity, his intelligence, his vision, and his courage. I hope to learn a lot from him and to share with him, as best we can, the prospects for the interested parties this year to search out a common basis for a peaceful and per-

manent solution to that troubled region of the world.

Our own country will offer its good offices when called upon to do so, to share with nations located there to find this peaceful resolution.

We understand the common ground on which that peace might be brought. And I personally am willing to devote a great deal of my own time and the time of the American Government to cooperation in this worthwhile pursuit toward a great goal which might bring stability to the entire world.

So, I would like to say in closing that President Sadat is received here in our own country with a warm welcome, appreciation for his great achievements in the past, and a hope that with his leadership and that of others in the Mideast region, that the achievements might be even greater this year.

Thank you for coming to see us. I look forward to detailed discussions about many items that are on our agenda, and, Mrs. Sadat, we are very grateful that you could come and be with us also.

President Sadat, welcome.

PRESIDENT SADAT. Mr. President, it is with great pleasure that I revisit your country and meet with such a statesman who is the personification of the new spirit that is emerging in America today.

For so long we have been told that politics is amoral and that international relations are not the domain of idealism or spirituality, but one of expediency and the pursuit of selfish interests.

But the unfortunate turn of events in the past decades and the suffering that has been inflicted upon many of our fellow men have shaken the foundations of these premises and confronted us with a new challenge.

We had to reexamine the postulates which we have taken for granted or ac-

quiesced to for centuries. A process of soul-searching became inevitable for the salvation of mankind.

Only leaders with vision and exceptional wisdom were able to grasp the magnitude of the problem and recognize the pressing need for a bold change without delay.

It is quite evident, Mr. President, that you were amongst those farsighted and perceptive leaders. On the first day you assumed the awesome responsibility of your office, you took pride in the fact that your society was the first one to define itself in terms of both spirituality and human liberty. You pledged to spare no effort to help shape a just and peaceful world that is truly humane.

It is in this spirit that I come to your great country with an open mind and an open heart in order to work with you for strengthening the structure of peace and promoting the revival of idealism in international relations.

I am certain that you know, Mr. President, that Egypt ever since its emergence as a state more than 7,000 years ago, has been a land of ideals and principles. From time immemorial, the Egyptian has remained faithful to higher values and ideals which render human life more rewarding and fulfilling. His belief in the divine truth, the afterlife, and the day of judgment—all this has instilled in him an extraordinary sense of justice and a genuine conviction of the universal brotherhood of man.

It is not a mere coincidence, therefore, that we share with you the belief that the only way to improve the quality of our life is to reinstall the long-neglected idealism and spirituality which enrich our existence, individually and collectively.

Mr. President, a few weeks ago, you pledged to devote a major part of your time this year to efforts toward a lasting

peace in the Middle East. Undoubtedly, this genuine determination stemmed out of thoughtful realization on your part of the possibility as well as the necessity to establish peace in the area after 29 years of devastating wars and stifling tension.

This also demonstrates your enlightened awareness that your country has a certain mission to fulfill and a major responsibility to contribute positively to the process of peace in the Middle East. More important, you registered your willingness and even enthusiasm to fully assume this responsibility.

In your speech at the United Nations on March 17, you reiterated that your country has the strength of ideals and that you are determined to maintain these ideals as the backbone of your policy.

I endorse this statement and hope to see it implemented in practice. Such ideals certainly coincide with the norms of legitimacy and legality in international behavior.

Thus, you cannot support foreign occupation of one's land or tolerate territorial expansionism. We know that attachment to one's land is a value which is deeply rooted in the fabric of the American society. It is the central force that made the realization of the American dream possible.

Mr. President, I am sure that you concur with me that it would be a grave mistake to waste this golden opportunity to put an end to a state of affairs that has plagued our area for decades.

There is every indication that you are aware of the centrality of the Palestinian cause to the entire dispute. It is the core and crux of the issue. No progress whatsoever can be achieved so long as this problem remains unsolved.

In your public pronouncements in recent weeks, you came very close to the proper remedy. What is needed is the

establishment of a political entity where the Palestinians can, at long last, be a community of citizens, not a group of refugees. The humanitarian dimension of their plight is merely one of the aspects of the problem. Their yearning to exercise their normal rights remains the heart of the issue.

Mr. President, the Arab nation, with its long history of tolerance and cooperation with other nations, is eager to contribute further to the welfare and prosperity of mankind. It harbors no ill-feeling towards any people, nor has it ever experienced prejudice or hatred against any creed or peoples. We remain committed to peace in our area and in the world at large.

Mr. President, over the past few years, I worked with your predecessors to develop ties of cooperation and mutual understanding between our two peoples. I am glad to say that we are satisfied with the development of our bilateral relations and are looking forward for an era of an ever-increasing exchange and interaction during your Presidency. In this respect, I must express my people's gratitude and mine, Mr. President, for the gallant action from your side, helping us in our economic problems lately. Really, it has shown the valiant American spirit after you have helped us in many ways in the last few years, especially in preparing the Suez Canal for the navigation and for the prosperity of the whole world.

Mr. President, I am carrying to every American a message of friendship and amity from 40 million Egyptians. We wish you all the success and gratification of fulfillment you are aspiring to. Let us pray to God Almighty so that the days ahead may witness a happy American family under every roof and a state of peace and solidarity in every community. Let us also pray that God grants us the

strength to establish a better world for the generations to come.

Thank you, Mr. President.

NOTE: The President spoke at 10:43 a.m. in the East Room at the White House after greeting President Sadat at the North Portico. The welcoming ceremony was held in the East Room because of inclement weather.

Community Services Administration

*Nomination of Graciela (Grace) Olivarez
To Be Director. April 4, 1977*

The President today announced that he will nominate Graciela (Grace) Olivarez, of Albuquerque, N. Mex., to be Director of the Community Services Administration. Ms. Olivarez is presently director of the State planning office in Albuquerque.

She was born in Phoenix, Ariz., on March 9, 1928. She received a J.D. degree from Notre Dame Law School in 1970.

From 1952 to 1962, Olivarez was women's program director at Phoenix radio station KIFN, responsible for writing, producing, and broadcasting women's and children's programs in Spanish. From 1962 to 1966, she was a staff specialist for the Choate Foundation in Phoenix, where she counseled Mexican American families and established a program of after-school study halls for economically disadvantaged children. During this period she also surveyed the living conditions of Mexican Americans in five Southwestern States on a Ford Foundation grant and served as executive secretary for the National Conference on Poverty in the Southwest.

In 1966 and 1967, Olivarez was director of the Arizona State office of economic

opportunity, and in 1967 she was assigned for 6 months to represent OEO in a project in Los Angeles, with the Departments of Labor and HEW, to develop the Concentrated Employment Project there. In 1967 she also worked on a Labor Department task force studying the problems of the chronically unemployed.

Olivarez worked for the U.S. Civil Rights Commission in 1968, doing field surveys of the problems of Mexican Americans. In 1969 she worked for the Bureau of the Census, preparing a brochure explaining and promoting the 1970 census for Mexican Americans, and for Volt Information Sciences, evaluating various OEO-funded programs.

In 1968 and 1969, she also worked for the Urban Development Institute at Purdue University as a consultant on municipal law, studying the problems of Latin Americans residing in Gary, Ind. In 1970 she was a consultant on Mexican American affairs to the National Urban Coalition. From 1970 to 1972, she managed an OEO-funded program to improve Federal food programs.

She served as a professor of law at the University of New Mexico Law School and as director of the Institute for Social Research and Development at the University of New Mexico from 1972 until 1975, when she became director of the State planning office.

She has also served as a consultant to the National Commission on Rural Poverty, a lecturer on the culture of Mexican Americans at numerous universities, and as a public speaker. She is a member of the National Advisory Council on Economic Opportunity and the national boards of Common Cause and the American Civil Liberties Union. She was a panel member at the 1969 White House

Conference on Food, Nutrition, and Health.

She has received a National Award from the American Cancer Society for her cancer prevention work among Mexican American women in Arizona, and an award from the Mexican Chamber of Commerce of Phoenix for her contributions to the total improvement of Mexican Americans in Arizona. She received an honorary doctorate in humane letters from Amherst College in 1973.

Department of the Interior

Appointment of R. Keith Higginson as Commissioner of Reclamation. April 4, 1977

The President today announced the appointment of R. Keith Higginson of Boise, Idaho, to be Commissioner of Reclamation. Higginson is director of the Department of Water Resources of the State of Idaho.

He was born in Boise on May 20, 1930, and received a B.S. degree in civil engineering from Utah State University in 1957.

From 1957 to 1965, Higginson was an engineer on water rights in the State engineer's office of the State of Utah.

He has been director of the Idaho department of water resources since 1965, and also serves as a member of the EPA Science Advisory Board, the Bear River Compact Commission, the Columbia Compact Commission, and the Pacific Northwest River Basins Commission.

He is responsible for all State programs of water resources and rights administration, dam safety, well construction, geothermal resources, stream channel protection, water resources planning, project construction, and data collection.

Special Assistant to the President for Consumer Affairs

Appointment of Esther Peterson. April 4, 1977

The President today announced the appointment of Esther Peterson as Special Assistant to the President for Consumer Affairs. Ms. Peterson is currently vice president of consumer programs and consumer adviser to the president of Giant Food Co. in Washington, D.C.

As Special Assistant to the President for Consumer Affairs, she will serve as a consumer spokesperson and advocate on the President's personal staff and advise the President on consumer-related matters.

She was born in Provo, Utah, on December 9, 1906. She received an A.B. degree from Brigham Young University in 1927 and an M.A. from Teachers College, Columbia University, in 1930.

She taught at Branch Agricultural College in Cedar City, Utah, and at Winsor School in Boston. She also taught at Bryn Mawr Summer School for Women Workers in Industry from 1932 to 1939.

Peterson was assistant director of education of the Amalgamated Clothing Workers of America from 1939 to 1944 and served as their legislative representative in Washington from 1945 to 1948. She and her family lived overseas from 1948 to 1957, while her husband served as labor attaché in Sweden and Belgium.

In 1957 Peterson became legislative representative of the Industrial Union Department of the AFL-CIO. She continued in this post until 1961, when she was appointed Director of the Women's Bureau in the Department of Labor by President John F. Kennedy. In August of that year, she became Assistant Secretary

of Labor and held that position until 1969.

Between 1961 and 1963, Peterson served as Executive Vice Chairman of the President's Commission on the Status of Women. In 1964 President Lyndon B. Johnson appointed her to the newly created post of Special Assistant to the President for Consumer Affairs. She also served as Chairman of the President's Committee on Consumer Interests. She held these posts until 1967.

Peterson joined Giant in 1970, and since that time has spearheaded numerous consumer-related projects. She has her own professional staff, which develops consumer programs.

She is on the board of directors of many consumer, educational, and civic associations, including the Institute for Public Interest Representation at the Georgetown University Law Center, the Women's National Democratic Club, the Center for Science in the Public Interest, and the National Center for Resource Recovery.

Cancer Courage Award for 1977

Remarks on Presenting the Award to Minnie Riperton. April 4, 1977

THE PRESIDENT. I can't match the admiration that people have for you, but I will try to make this presentation because it means so much to me.

I think within the framework of health care for our Nation and the world as a constant combined fear and hope involving cancer, it touches almost every family. My own father died with cancer in 1953. My wife's father died with cancer when she was 13 years old.

We have a national commitment to try to solve for our own people and for the rest of the world the health aspects of pre-

vention of cancer or cure of cancer once it occurs. This may be in the near future or it may be in the distant future, we don't know. But in the meantime, there is needed another aspect of human commitment, and that is the demonstration of courage and concern among those who are afflicted with cancer and who have a responsibility for those who suffer.

Minnie Riperton is one of 80 million women throughout the world, each year, who suffer from cancer of the breast. Quite often this is a concealed affliction. But when someone who is a famous person like she is approaches this confrontation with a terrible disease, with courage and concern for other people, it is inspirational to us all.

It is with a great deal of pleasure that I present this commemorative plaque to Minnie Riperton for her frank approach to a problem in her own life and for the inspiration that she has provided for others who might have to face this prospect in the future.

I know that I, as a public official, will join with the distinguished members of the American Cancer Society Board of Directors, and professional workers who stand behind me, in renewing our commitment to search for some way to prevent cancer and its many forms of attack on the health and well-being of our people and other people around the world.

So, Minnie, it is with a great deal of pleasure that I present to you this plaque. And I want to thank you for coming in today to receive it. You have meant a lot to us all.

MISS RIPERTON. Thank you. I am deeply moved and honored, and I do accept this award on behalf of cancer patients everywhere. I hope that by sharing, I have somehow made it easier for people to live with a similar experience. I thank you very much.

THE PRESIDENT. We are very proud of you.

NOTE: The President spoke at 2:40 p.m. in the Cabinet Room at the White House. He presented the award to entertainer Minnie Riperton on behalf of the American Cancer Society.

Budget Deferrals

Message to the Congress Transmitting the Deferrals. April 4, 1977

To the Congress of the United States:

In accordance with the Impoundment Control Act of 1974, I herewith report two new deferrals of Energy Research and Development Administration funds totaling \$127.2 million. The deferrals have no effect on budgetary outlays for fiscal year 1977 or subsequent years. In addition, I am reporting a revision to a previously transmitted Department of Commerce deferral.

The details of each deferral are contained in the attached reports.

JIMMY CARTER

The White House,
April 4, 1977.

NOTE: The attachment detailing the deferrals is printed in the FEDERAL REGISTER of April 8, 1977.

The message was not issued in the form of a White House press release.

Visit of President Sadat of Egypt

Toasts of the President and President Sadat at a Dinner Honoring the Egyptian President. April 4, 1977

PRESIDENT CARTER. First of all, I'd like to say how grateful I am to all the Members of the Congress and distinguished guests who have come here tonight to be with us

to honor one of my very close, personal friends.

I've been looking forward to the visit by President Sadat for a long time. I think everyone that I've talked to who's been to Egypt, no matter what their political persuasion might be or under what circumstances they went to that great country, have come back impressed with him.

He's a man from a small village. And when I met with him early this morning, he said that the consciousness of the villagers was the guiding concept in his own political life—a commitment to the closeness of families, a pledge to the individual human being and the individuality that exists there; an unswerving religious commitment, a pride in one's heritage. And no nation on Earth has a heritage as admirable as does the country of Egypt.

He talked to me about the need for his visiting his home people frequently to cement his ties with the people of Egypt who look to him for great leadership.

He's a man who, when he first took office, played a strong role in the establishment of a firm commitment to basic human rights. Although they were turbulent times, the release of political prisoners was an instantaneous action on his part.

He's a man who has been courageous in proposing, boldly, new ideas and new concepts which might be the basis for peace in his troubled region of the world. I've found, and all the visitors to Egypt have found, that he's a man of superb frankness; if he believes something, he tells you.

You never know from one moment to another exactly how political consequences might evolve. But he analyzes complicated issues and is able to express himself quickly and clearly. He's a man of his word, and within the Arab nations,

he's an early spokesman when difficult and controversial changes are made.

I hope that this year, 1977, might be a time when we can tap his superb judgment and leadership and make major strides toward permanent peace in the Middle East.

I think the characteristics that I've described—and there are many more that I could outline to you—can be a basis for substantial progress. I've learned a lot from him during this morning's conversation and this evening. And after supper, we're going to go upstairs and just have a private meeting, just me and him.

But his knowledge of the background of developments in the Middle East and south of him, in Africa, are a very valuable reservoir of knowledge and experience and insight that will help to guide me in making the right decisions that apply to our own country's influence.

We are proud of his friendship already. And I believe that the ties that bind Egypt and our country together can be strengthened even further in the weeks ahead. As I pointed out this morning in the brief ceremony during the rain, I think that the archeological exhibition of King Tutankhamen's Tomb—as we call it, King Tut—has been received as gratefully as any cultural event that's ever occurred in our Nation.

When I visited the National Gallery to look at this remarkable exhibition—for some reason or another they let me in ahead of the waiting throngs—[*laughter*—I got there early to do it, I might say—but there were people there with pallets on the sidewalk. And when I left the exhibition and shook hands with the people along the way who had spent the night waiting in line, they asked me if it was worth waiting overnight, and I said, yes, it was.

This was an exhibition, I think, of only 55 artifacts out of more than 5,000 that

were discovered in this one site. And the beauty and the sensitivity of them, I think, were typical of the long and distinguished and proud heritage of Egypt.

I'm very grateful that we've had come to our own country for a revisit—he's been here before as you know—my own good friend, and Foreign Minister Fahmy, and others. And I would like to propose a toast to the people of Egypt and to their great leader, President Sadat, my good friend.

We're glad to have you here, sir.

PRESIDENT SADAT. Thank you.

Mr. President and dear friends, I came here looking forward to meeting you and working closely with you on subjects of mutual interest. I'm happy to state that our first get-together this morning met my expectations.

I found you a man of courage and vision. You listen only to the dictates of your conscience. Your first and foremost allegiance is to the truth. Your determination to pursue what is right is paralleled by your willingness to accept the diversity of views and differences of opinion. Your grasp of the complex issues of our time is formidable. Above all, your paramount commitment is to the cause of peace and the universal brotherhood of man.

I can quite understand the way you think and act. Like you, I come from a rural area that is the heart of Egypt's farmland, where life has different dimensions and a different meaning. Social solidarity is dominant. A conscious submission to the divine will provides us with tremendous strength to deal with the continuous challenge of life. People are not judged by their wealth or power but rather by their adherence to the supreme norms and higher values cherished by the entire community.

Judging by words and deeds alike, I sense a streak of all that in your background. I fully agree with you that in our dealings with others, we should apply the

same standards we would like to see applied with us.

I endorse your statement in the Inaugural Address that we should strive together to build a quiet strength, based not merely on the size of an arsenal but on the nobility of ideals.

In your book, "Why Not the Best?," you said that your country should, among the community of nations, set an example of courage, compassion, and dedication to basic human rights and freedoms. We welcome this, and we are sure that it will prevail throughout your Presidency.

Mr. President and dear friends, as you well know, we are embarking on an ambitious program to rebuild our society along lines which ensure more justice and equal opportunity. We are revitalizing our system with a view to enable it to cope with the immense problems we encounter, old and new. We are determined to build up this new society on ideals of faith in human dignity, which we inherited from the ancient Egyptian civilization. This heritage has kept us united together and optimistic in the face of the most difficult of challenges.

The Arab nation has succeeded in its drive to establish a model for enlightened cooperation among nations. The outcome of the first Afro-Arab summit conference held in Cairo a month ago bears witness to this fact. The heads of state and government of 60 developing nations assembled together in an atmosphere of unity of purpose and laid the foundation for an equitable system, capable of confronting the challenge of development and modernization. A model for man, an explorative cooperation was set up for the benefit of all the people of participant countries. Basically, it is a structure of self-help. The Afro-Arab community, which is part and parcel of the nonaligned movement, pledged to spare no effort to promote

peace and prosperity throughout the globe.

Mr. President and dear friends, your recent statement on the right of the Palestinians to a national homeland was welcomed by every Arab. It was regarded as a positive signal because it was the first time since 1947 that an American President has ever spelled out his convictions that the Palestinians should have their homeland where they could establish their state.

You would agree with me that the Palestinians, who demonstrated moderation and a great sense of responsibility, are entitled to be heard by you and the American people. Their leadership has established its credentials to be part of the peace process. A dialog with them will reassure them and stimulate further moderation. With the solution of the Palestinian problem, the road to peace would be open and clear.

What remains to be done is the withdrawal of Israeli forces from all occupied Arab countries after '67. That makes ending the state of war a foregone conclusion.

As I have often said, we are willing to consider any formula proposed to guarantee the maintenance of peace in the area. We will decide whose security was constantly threatened for a quarter of a century; thus, we have no objection to the adoption of adequate measures to secure the international borders and make the recurrence of war a remote possibility. We welcome your participation in providing these guarantees.

Mr. President and dear friends, you are projecting a new image for the United States. Its impact goes beyond the frontiers of your country. The revival of idealism and morality is not merely an intellectual exercise, it is a living mechanism that influences the course of events in many parts of the world.

We are most willing to cooperate with you in reasserting the rule of law as an arbiter among nations. Legitimacy should replace force as a determinant of right and wrong. The strength of nations should be measured not by the power they muster but by the values they uphold.

Mr. President and dear friends, we are developing our bilateral relations along lines which are apt to stimulate an ever-growing cooperation for our mutual benefit. In the short period that passed since you assumed office, you demonstrated your enthusiasm for intensifying such cooperation. The measures you took in this respect are symbolic of your genuine belief in international solidarity. I have no doubt that your Presidency will usher in a new chapter in international relations.

May your vigorous efforts at home and abroad be fruitful.

Ladies and gentlemen, I ask you to stand in respect to my dear friend President Carter.

PRESIDENT CARTER. Thank you, sir. Thank you, Mr. President, I appreciate that very much.

God bless you.

NOTE: The President spoke at 8:50 p.m. in the State Dining Room at the White House.

Civil Service Commission

Nomination of Alan K. Campbell To Be a Commissioner. April 5, 1977

The President today announced that he will nominate Alan K. Campbell, of Austin, Tex., to be a Civil Service Commissioner. The President also indicated that if confirmed by the Senate, Campbell would be designated Chairman of the Commission. Campbell is dean of the Lyndon B. Johnson School of Public Affairs at the University of Texas.

Campbell was born on May 31, 1923, in Elgin, Nebr. He received an A.B. degree from Whitman College in 1947, M.P.A. degrees from Wayne State University (1949) and Harvard University (1950), and a Ph. D. in political economy and government from Harvard University in 1952.

From 1950 to 1955, Campbell was a teaching fellow at Harvard and assistant director of the Summer School. He served as professor and chairman of the political science department at Hofstra University from 1955 to 1960.

In 1961 Campbell became a professor of political science and public administration at Syracuse University and director of the metropolitan studies program at the Maxwell School of Citizenship and Public Affairs there. He served as dean of the Maxwell School from 1969 until January 1977, when he became dean of the Lyndon B. Johnson School of Public Affairs at the University of Texas.

Campbell was an elected delegate-at-large to the New York State Constitutional Convention and chairman of the Convention's Committee on Home Rule and Local Government in 1967. He served as deputy comptroller for administration and research for the State of New York in 1960 and 1961, and served on the State Council of Economic Advisors from 1970 to 1974. In 1962 he was chairman of the State Democratic Platform Committee.

Campbell has been a consultant to the Advisory Commission on Intergovernmental Relations since 1969 and served on the Department of HEW's Urban Education Task Force in 1969 and 1970. He was a member of the Advisory Committee to the Secretary of Housing and Urban Development in 1967 and 1968.

In 1973 and 1974, Campbell served as a consultant to the National Science Foundation, Division of Research Applied to National Needs, and in 1975 he was a

consultant to the National Institute of Education on research and development funding policies of the Institute.

He has written numerous books, monographs, and articles in scholarly and popular magazines.

Interstate Commerce Commission

*Designation of A. Daniel O'Neal as
Chairman. April 5, 1977*

The President today announced that he has designated A. Daniel O'Neal, of Seattle, Wash., as Chairman of the Interstate Commerce Commission. O'Neal is currently a member of the Commission.

He was born in Bremerton, Wash., on May 15, 1936. He received a B.A. degree in mathematics from Whitman College in 1959. After completing the Naval Officer Candidate School program in Newport, R.I., O'Neal served 4 years as an engineering officer aboard destroyer-type vessels. He earned his law degree from the University of Washington School of Law in 1965.

From 1967 to 1969, O'Neal served as legislative counsel to Senator Warren G. Magnuson. He served as surface transportation counsel and then transportation counsel to the U.S. Senate Committee on Commerce. In the latter position he had principal staff responsibility for legislation having intermodal impact. He also directed a major staff study of the rail industry.

In 1973 he became a member of the Interstate Commerce Commission. He served as Vice Chairman in 1975, a position that is filled annually by vote of the members.

O'Neal is a member of the Commission's Rate Division and Policy and Planning Committee this year and has served on all of the Commission's divisions and

standing committees. In 1975 and 1976, he headed a special Commission committee to evaluate and to propose internal Commission reforms.

Reorganization Act of 1977

*Remarks at the Bill Signing
Ceremony. April 6, 1977*

I think of all the campaign speeches that I made throughout the Nation, the most consistent commitment that was made to the American people was that I would move as quickly as possible to improve the efficiency and the effectiveness and the sensitivity of the Federal Government bureaucracy in dealing with the needs of the American people. I believe it was one of the campaign issues that induced the American people to give me their support.

And I'm very grateful at the overwhelming expression of partnership that has been derived from the congressional leadership, the Representatives behind me today, and the overwhelming votes to give me the authority, as President, to work closely with the Congress and others in reorganizing the structure of the Federal Government.

It's going to be a long and very challenging undertaking. There are going to be a lot of controversies. But I'm determined to do a good job with it.

And with these men standing behind me, Chairman Abe Ribicoff, Chairman Jack Brooks, and others who've worked so closely with us, I believe that we've come forward with legislation that gives me adequate authority.

We'll begin the process as quickly as we can. And as you well know, the Congress will have a very tight and intimate relationship with me and adequate control over the final decisions that are made.

I want to express my thanks to the Members of Congress for the great work they did. In the entire process there were only 22 votes, I think, against the bill. The Senate voted unanimously both times for their own version of the bill and for the modifications that the House attached.

I'm very deeply grateful to the chairmen of the two committees and to all those who did help. I take this responsibility—working with Bert Lance and the Cabinet officers, the staffs of the congressional committees—with a great deal of determination and also with a sober realization of the difficulties involved.

This will be an open process where the American people can be aware of the progress that is being made. And we'll involve the private sector of our national life, the civil servants who are eager to see their own jobs made more meaningful, and I believe that the Nation will benefit.

So again, let me thank you, Jack Brooks, and you, Abe Ribicoff, and all the others who have helped us so much as I sign this bill, which I think will be good for the American people.

[At this point, the President signed the bill into law.]

Immediately thereafter, Bert Lance and others will give a briefing to the press in more detail.

I might say one other thing: that although I only recognized the chairmen of the committees who happen to be Democrats—and I'm thankful for that—it was a bipartisan effort. And I believe that the overwhelming support is indicative of the way the American people feel about this process.

And I, of course, want to express my thanks to Charles Percy and to Frank Horton and the Republicans, as well,

throughout the Congress, for their good help in this effort.

Thank you very much.

NOTE: The President spoke at 9:30 a.m. in the Oval Office at the White House.

As enacted, S. 626 is Public Law 95-17, approved April 6.

Reorganization Act of 1977

Statement on Signing S. 626 Into Law. April 6, 1977

Today, I am signing legislation which will permit us to submit reorganization plans to the Congress over the next 3 years. The reorganizations proposed in the plans will go into effect unless disapproved by Congress within 60 days.

As I have stated on many occasions, my administration is determined to reorganize and streamline the executive branch of our Government. This is one of the ways in which I plan to fulfill my commitment to the American people to make government more responsive, efficient, and open. Reorganization authority provides one time-tested and efficient way to bring about these needed improvements.

Although the bill before me extends the reorganization authority for 3 years instead of the 4-year period I requested of Congress, it does provide some flexibility that has not been available to other Presidents. For the first time in the history of the authority, we can amend a reorganization plan while it is before Congress. Previously, a sound plan could have been rejected because no one could make minor but critical changes. In addition, the Congress has removed the limitation which previously permitted a President to submit only one plan every 30 days. This means that we can move more rapidly in presenting our reorganization proposals.

The reorganization process which is set into motion today will be an open one. We intend to involve the Congress, State and local governments, and individual groups and citizens who will be affected by change. We shall depend on public awareness and participation to help us pinpoint problems, to originate ideas and solutions, and to provide reactions to various options developed by reorganization study teams which are already at work. In fact, I have asked that a study of the Executive Office of the President be undertaken immediately, and the reorganization project within the Office of Management and Budget is beginning that project now.

The reorganization program will make a searching examination of the entire Federal structure. The program will be directed by Bert Lance who shares my enthusiasm for and serious commitment to the goal of making government work better.

I do plan to give my personal attention and support to the entire reorganization program. Reorganization of the Federal Government is not a simple task. It will take energy, time, and, above all, active cooperation among the executive branch, the Congress, and, most importantly, the American people. We are here to serve the public, and I intend that this Government will be responsive to their needs and provide services to them in as efficient a manner as possible.

NOTE: As enacted, S. 626 is Public Law 95-17, approved April 6.

In a fact sheet released on the same day, the White House announced that recommendations for reorganization of the Executive Office of the President will go to the President in early June, and that the project will be headed by Harrison Wellford, Executive Associate Director, Office of Management and Budget, and A. D. Frazier, Jr., Project Director.

Consumer Protection Legislation

Message to the Congress. April 6, 1977

To the Congress of the United States:

The task of helping consumers understand and shape the powers of their government has become more difficult, and more important, through the years. As the Federal Government has grown, individual citizens have found it harder to learn how and where and when to go to influence the many government decisions which make a difference in their lives. As the technology of our society has become more complex, Congress and the President have delegated more responsibility to regulatory technicians, whose activities affect consumers profoundly but are difficult for average citizens to study, influence, and understand.

For several years there has been a movement in Congress and among the people to create a strong voice in government to speak up for the consumer. Today I am recommending measures which will expand and accelerate that movement.

The first of these measures is the creation of an Agency for Consumer Advocacy, which will bring to fruition eight years of bipartisan effort in the Congress.

This Agency will be a small, effective group; its purpose will be to plead the consumer's case within the government. It will not require major additions to the government's size or operations; in significant part, it can be established by drawing together resources now scattered throughout the government. It will not be another regulatory agency. Its purpose is to improve the way rules, regulations, and decisions are made and carried out, rather than issuing new rules itself. It will help the Congress and help me search out programs which are inefficient or have outlived their purpose, and will help us correct inequities in programs and pro-

cedures which are supposed to protect consumers.

The Agency will aid in the fight against inflation by monitoring governmental actions that unnecessarily raise costs for consumers. Many government activities affect prices: The government establishes rates, standards and incentives for private businesses to follow, and it is itself a major purchaser of goods and services. In all these areas, the Agency will use its powers of intervention and of information collection, analysis and dissemination to keep costs down.

By establishing the Agency, the Congress can give new meaning to the phrase "in the interest of consumers" found throughout the United States Code and the Code of Federal Regulations.

The basic format of the Agency for Consumer Advocacy has been refined and perfected in eight years of debate by Congress. I support that framework. In particular, I believe that the following principles should be reflected in a bill creating the Agency:

First, most government consumer functions should be consolidated in the Agency. The Office of Management and Budget has begun a comprehensive review to help me identify those units that should be transferred to the Agency. This review will also determine how remaining functions in the individual agencies can be strengthened. Of course, I still expect that all Federal agencies will be responsive to the consumer's concerns.

Second, the Administrator of the Agency, like the heads of other executive agencies, should be appointed by the President and serve at his pleasure. The Agency should be subject to the normal executive budget and legislative clearance procedures. Accountability within the executive branch is necessary to ensure that the Agency will be as vigorous and effective as the people expect. It will not

undermine the independence of the Agency's representational role.

Third, the Agency should be empowered to intervene or otherwise participate in proceedings before federal agencies, when necessary to assure adequate representation or [of] consumer interests, and in judicial proceedings involving Agency action. The Agency, at its discretion, should be represented by its own lawyers. I will instruct the Administrator to establish responsible priorities for consumer advocacy.

Fourth, the Agency should have its own information-gathering authority, including, under appropriate safeguards, access to information held by other government agencies and private concerns. However, small businesses should be exempt from the Agency's direct information-gathering authority. Additional safeguards should be included to assure that needless burdens are not imposed on businesses or other government agencies.

The Agency for Consumer Advocacy is mainly designed for participation in very large administrative proceedings; it is only one of a number of steps which will better protect the consumer. Members of my Administration, in the months ahead, will comment to the Congress on a variety of these steps. There are three of them I would like to mention now; they are measures which the Congress has been considering, and which I believe would complement the ACA.

The first is legislation to help consumer groups represent themselves in agency and judicial proceedings. I support Congressional efforts to assist citizen groups to participate in the proceedings of federal agencies, where their participation may lead to a more balanced decision. I also recommend that Congress enact legislation that would give the federal courts more discretion to reimburse litigation costs for plaintiffs who win cases

of public importance involving the government.

Second, I support legislation which will give citizens broader standing to initiate suits against the government, in appropriate cases. The government has too often routinely invoked the "standing" defense when it is challenged in court. The Department of Justice will work with my Special Assistant for Consumer Affairs, Esther Peterson, and with the Congress toward legislation to reform this practice.

Third, I support the effort to enable consumers to sue as a class to enforce their rights. Recent court decisions have greatly restricted their ability to do so. I want to expand the opportunities for responsible class actions, starting with violations of consumers' rights. The Department of Justice and Mrs. Peterson will work with the Congress to develop suitable legislation.

These measures—and the others which members of my Administration will discuss in the months ahead—will enhance the consumer's influence within the government without creating another unwieldy bureaucracy. I believe they will increase confidence in government by demonstrating that government is considering the people's needs in a sensitive and responsive way.

JIMMY CARTER

The White House,
April 6, 1977.

New Community Development Corporation

*Nomination of William J. White
To Be a Member of the Board of
Directors. April 7, 1977*

The President today announced that he will nominate William J. White, of Cam-

bridge, Mass., to be a member of the Board of Directors of the New Community Development Corporation. White is executive director of the Massachusetts Housing Finance Agency in Cambridge.

The Board of Directors of the New Community Development Corporation consists of the Secretary of Housing and Urban Development, five persons appointed by the Secretary of HUD, and one person nominated by the President and confirmed by the Senate, who is then designated General Manager of the Corporation and serves as its chief executive officer. The Corporation carries out a program of grants, loans, and loan guarantees to assist new communities.

White was born in Cambridge on December 18, 1926. He attended Suffolk University in Boston and Babson Institute in Wellesley. He served in the U.S. Navy in the Pacific theater during World War II.

From 1950 to 1961, White was president and owner of a real estate firm in Natick, Mass. From 1961 to 1965, he was executive director of the Brokers' Institute and Multiple Listing Service of the Greater Boston Real Estate Board.

He was president of White-Bison and Co., a small real estate company in Boston, from 1965 until 1969, when he became executive director of the Massachusetts Housing Finance Agency. At MHFA, he was responsible for creating and administering the first mixed-income housing program in the Nation. He also developed a program for financing the rehabilitation of deteriorated properties.

White has been a guest lecturer at Harvard University, Massachusetts Institute of Technology, and the University of Massachusetts. He is a member of the Brokers Institute and chairman of the Greater Boston Real Estate Board.

White is chairman of the Governor's Task Force on Bank Disclosure and a

member of the Governor's Advisory Committee on Civil Rights. He also serves on the Mayor's Citizens Housing Advisory Committee, the board of directors of the Council of State Housing Agencies, and the Housing and Urban Growth Task Force of the National Urban Coalition.

Department of Housing and Urban Development

Nomination of Ruth T. Prokop To Be General Counsel. April 7, 1977

The President today announced that he will nominate Ruth T. Prokop, of Washington, D.C., to be General Counsel of the Department of Housing and Urban Development. Prokop is the senior counsel of General Telephone & Electronics in Washington.

She was born May 30, 1939, in San Saba, Tex. She received a B.A. from the George Washington University School of International Affairs and Business and a J.D. from the George Washington University Law School in 1965.

In 1961 and 1962, Prokop worked on the staff of then-Vice President Lyndon B. Johnson. From 1962 to 1964, she was a Legislative Assistant to the President's Commission on the Status of Women.

From 1964 to 1966, Prokop served as Legislative Counsel to the President's Committee on Consumer Interest. From 1966 to 1969, she was Special Assistant to the Secretary of Housing and Urban Development.

Prokop practiced law with the firm of Brownstein, Zeidman, Schomer & Chase from 1970 until 1973, when she became senior counsel for General Telephone & Electronics.

She is a coauthor of the book "A Survey of the Laws Relating to the Investment of

Private Trust Funds and State Retirement Funds in Mortgage Notes" (1969).

Ambassadorial Nominations

Selection of Nine Persons. April 7, 1977

The President today announced the first nine persons he will nominate to be Ambassadors based on the recommendations of the Presidential Advisory Board on Ambassadorial Appointments.

The nominees were chosen by the President and the Secretary of State from lists of at least five persons for each position recommended by the Advisory Board. The Board's lists were prepared on the basis of recommendations from members of the Board, the President, the Secretary of State, and other citizens inside and outside the Government.

The persons who will be nominated today are:

PHILIP H. ALSTON, JR., to be Ambassador to Australia;
KINGMAN BREWSTER, JR., to be Ambassador to the United Kingdom;
ANNE COX CHAMBERS to be Ambassador to Belgium;
ROBERT F. GOHEEN to be Ambassador to India;
WILBERT J. LE MELLE to be Ambassador to Kenya and the Seychelles;
SAMUEL W. LEWIS to be Ambassador to Israel;
MICHAEL J. MANSFIELD to be Ambassador to Japan;
WILLIAM H. SULLIVAN to be Ambassador to Iran; and
GEORGE S. VEST to be Ambassador to Pakistan.

United States Ambassador to Australia

Nomination of Philip H. Alston, Jr. April 7, 1977

The President today announced that he will nominate Philip H. Alston, Jr., of

Atlanta, Ga., to be Ambassador Extraordinary and Plenipotentiary of the United States to Australia. Alston is a partner in the law firm of Alston, Miller and Gaines in Atlanta.

Alston was born April 19, 1911, in Atlanta, Ga. He received an A.B. in 1932 from the University of Georgia and an LL.B. in 1934 from Emory University School of Law. He served in the United States Navy from 1942 to 1945.

Since 1935 he has been practicing law with the predecessor firm to Alston, Miller and Gaines. He has been a partner in the firm since 1942.

Alston serves as a Judge Pro Hoc Vice of the City of Atlanta Police Court. He is a member of the Board of Adjustments of Fulton County and the City of Atlanta and is on the board of regents of the University System of Georgia. He is a panelist and chairman for the Atlanta region of the White House Fellows Program.

United States Ambassador to the United Kingdom

*Nomination of Kingman Brewster, Jr.
April 7, 1977*

The President today announced that he will nominate Kingman Brewster, Jr., of New Haven, Conn., to be Ambassador Extraordinary and Plenipotentiary of the United States to the United Kingdom of Great Britain and Northern Ireland. Brewster is president of Yale University.

He was born June 17, 1919, in Longmeadow, Mass. He received an A.B. in 1941 from Yale University and an LL.B. in 1948 from Harvard University. He served in the U.S. Navy from 1942 to 1946.

In 1949 and 1950, Brewster was a research associate in the department of eco-

nomics at Massachusetts Institute of Technology. From 1950 to 1953, he was an assistant professor of law at Harvard University, and from 1953 to 1960 he was a professor there.

Brewster served as a professor and provost of Yale University from 1961 until 1963, when he became president of the university.

Brewster was chairman of the National Policy Panel of the United Nations in 1968. He was a member of the President's Commission on Selective Service in 1966 and 1967 and of the President's Commission on Law Enforcement and Administration of Justice from 1965 to 1967.

He is the author of "Anti-trust and American Business Abroad" (1969) and coauthor of "Law of International Transactions and Relations" (1960).

United States Ambassador to Belgium

*Nomination of Anne Cox Chambers.
April 7, 1977*

The President today announced that he will nominate Anne Cox Chambers, of Atlanta, Ga., to be Ambassador Extraordinary and Plenipotentiary of the United States to Belgium. Ms. Chambers is chairman of the Atlanta Newspapers.

She was born December 1, 1919, in Dayton, Ohio. She attended Finch College.

Chambers is a director of Cox Broadcasting Corp., Cox Enterprises, Inc., the Fulton National Bank, the Atlanta Humane Society, Atlanta Landmarks, and the Institutional Development Corp.

She is on the executive committee of Central Atlanta Progress and a founder and trustee and the first president of the Forward Arts Foundation. She is a found-

ing trustee of the Southern Center for International Studies and has served on Governor Busbee's Commission of the Georgia White House Conference on Handicapped Individuals.

United States Ambassador to India

*Nomination of Robert F. Goheen.
April 7, 1977*

The President today announced that he will nominate Robert F. Goheen, of Princeton, N.J. to be Ambassador Extraordinary and Plenipotentiary of the United States to India. Goheen is president of the Edna McConnell Clark Foundation in New York and president emeritus of Princeton University.

He was born August 15, 1919, in India of American parents. He received an A.B. in 1940 and a Ph. D. in 1948 from Princeton University. He served in the United States Army from 1941 to 1945.

Goheen was an instructor and assistant professor of classics at Princeton from 1948 until 1957, when he became president of the university. He left Princeton in 1972, becoming president emeritus of the university, and served as chairman of the Council on Foundations in New York City until 1977, when he became president of the Edna McConnell Clark Foundation.

Goheen was a director of the National Woodrow Wilson Fellowship program from 1953 to 1956. He was a trustee of the Rockefeller Foundation from 1960 to 1977, of the Carnegie Foundation for the Advancement of Teaching from 1961 to 1976, and of the American Academy in Rome from 1975 to the present.

He is a regent of the Smithsonian Institution and serves on the board of gover-

nors of Reza Shah Kabir University in Iran. He is cochairman of the Indo/U.S. Subcommission on Education and Culture and has been a consultant to the Ford Foundation on higher education matters in India since 1962.

Goheen is the author of "Imagery of Sophocles' Antigone" (1948), "The Human Nature of a University" (1969), and numerous articles.

United States Ambassador to Kenya and Seychelles

*Nomination of Wilbert J. Le Melle.
April 7, 1977*

The President today announced that he will nominate Wilbert J. Le Melle, of Ossining, N.Y., to be Ambassador Extraordinary and Plenipotentiary of the United States to the Republic of Kenya and to the Republic of Seychelles. Le Melle is deputy head of the Middle East and Africa program of the Ford Foundation.

He was born November 11, 1931, in New Iberia, La. He received a B.A. in 1955 and an M.A. in 1956 from Notre Dame Seminary and a Ph. D. in 1963 from the Graduate School of International Studies at the University of Denver. He served in the U.S. Army from 1957 to 1959.

From 1956 to 1961, Le Melle was an assistant professor of history and philosophy at Grambling College in Louisiana. In 1961-62 he was a teaching fellow in the department of international relations at the University of Denver, and from 1962 to 1964 he was on the correspondence faculty in political science at the University of Minnesota.

From 1963 to 1965, Le Melle was an assistant professor of government and a research associate at the Center for De-

velopment Research of the African Studies program at Boston University. In 1965 he served as a program officer of the Middle East and African Overseas Development program of the Ford Foundation.

From 1970 to 1973, he was deputy representative for East and Central Africa at the Ford Foundation, and he was representative for North Africa at the Foundation until 1976, when he became deputy head of the Middle East and Africa program there.

Le Melle has been a consultant to the Agency for International Development and the Greater Hartford Chamber of Commerce, and director of studies and training for AID personnel at Boston University.

He is the author of several books and numerous articles on Africa. He speaks Latin, Greek, Hebrew, French, German, Spanish, and Swahili.

United States Ambassador to Israel

*Nomination of Samuel W. Lewis.
April 7, 1977*

The President today announced that he will nominate Samuel W. Lewis, of Houston, Tex., to be Ambassador Extraordinary and Plenipotentiary of the United States to Israel. Lewis was previously Assistant Secretary of State for International Organization Affairs.

He was born October 1, 1930, in Houston, Tex. He received an A.B. degree from Yale University in 1952 and an M.A. from Johns Hopkins University in 1954.

Lewis joined the Foreign Service in 1954 and served as consular officer at Naples. From 1955 to 1959, he was a political officer and acting principal officer in Florence. From 1959 to 1961, he was

officer in charge of Italian Affairs in the State Department.

From 1961 to 1962, Lewis served as Special Assistant to the Under Secretary of State. During 1963–64, he was a visiting fellow at Princeton University. He served as Deputy Assistant Director for Technical Cooperation for AID in Rio de Janeiro, on detail, and in 1966 he was executive assistant to the Ambassador in Rio de Janeiro.

In 1967 and 1968, Lewis was Assistant Director for Development in the Office of Brazilian Affairs at AID, and in 1968 he became Deputy Director of that Office. In 1968 and 1969, he was a senior staff member on the National Security Council at the White House (on detail).

In 1969 Lewis was Special Assistant for Policy Planning in the Bureau of Inter-American Affairs at the State Department, and in 1970 and 1971 he was special assistant to the Director General of the Foreign Service.

From 1971 to 1974, Lewis was Deputy Chief of Mission, Kabul. He was Deputy Director of the Policy Planning Staff from 1974 until 1975, when he became Assistant Secretary of State for International Organization Affairs.

He received the Meritorious Honor Award in 1966 from the State Department and the Meritorious Honor Award the same year from AID. He received the William A. Jump Award in 1967 and the Presidential Management Improvement Certificate in 1970.

United States Ambassador to Japan

*Nomination of Michael J. Mansfield.
April 7, 1977*

The President today announced that he will nominate Michael J. Mansfield, of

Missoula, Mont., to be Ambassador Extraordinary and Plenipotentiary of the United States to Japan. Mansfield was a U.S. Senator from 1952 to 1976 and Senate majority leader from 1961 to 1976.

He was born March 16, 1903, in New York City. He received an A.B. in 1933 and an A.M. in 1934 from the University of Montana. He served in the U.S. Navy in 1918 and 1919, in the U.S. Army in 1919 and 1920, and in the U.S. Marines from 1920 to 1922.

Mansfield worked as a miner and mining engineer in Butte, Mont., from 1922 to 1931. He was a professor of history and political science at the University of Montana from 1933 to 1942.

In 1943 Mansfield was elected to Congress, and he served until 1952, when he was elected to the Senate. He was assistant Senate majority leader from 1957 to 1961 and majority leader from 1961 to 1976. He was a member of the Committee on Foreign Relations, the Appropriations Committee, the Policy Committee, and the Steering Committee.

Mansfield was a Presidential representative in China in 1944. He was a U.S. delegate to the IX Inter-American Conference in 1948 and attended the Sixth United Nations Assembly in Paris in 1951-52. He was a U.S. delegate to the Southeast Asian Conference in Manila in 1954.

Senator Mansfield attended the 13th United Nations General Assembly in 1958 and has traveled on Presidential assignment to West Berlin, Southeast Asia, and Vietnam (1962) and to Europe and Southeast Asia (1965 and 1969). He visited the People's Republic of China in 1972 at the invitation of Premier Chou En-lai.

United States Ambassador to Iran

*Nomination of William H. Sullivan.
April 7, 1977*

The President today announced that he will nominate William H. Sullivan, of Cranston, R.I., to be Ambassador Extraordinary and Plenipotentiary of the United States to Iran. Sullivan is presently Ambassador to the Philippines.

He was born in Cranston, R.I., on October 12, 1922. He received a B.A. in 1942 from Brown University and an M.A. in 1947 from the Fletcher School of Law and Diplomacy. He served in the U.S. Navy from 1942 to 1946.

Sullivan entered the Foreign Service in 1947 and was assigned to Bangkok as Economic and Consular Officer. In 1949 he was a commercial officer in Calcutta. From 1950 to 1952, he was a political officer in Tokyo, and from 1952 to 1955 he was Political/Military Affairs Officer in Rome.

From 1955 to 1958, Sullivan served as political officer at The Hague. In 1958 he was appointed officer in charge of Burma Affairs. He served as a staff aide to the Assistant Secretary for East Asian and Pacific Affairs in 1959 and 1960.

From 1960 to 1963, Sullivan was United Nations advisor in the Bureau of East Asian and Pacific Affairs. He served as Special Assistant to the Under Secretary for Political Affairs in 1963 and 1964, and as Special Assistant to the Secretary of State in 1964.

Sullivan was Ambassador to the Kingdom of Laos from 1964 to 1969. He served as Deputy Assistant Secretary for East Asian and Pacific Affairs from 1969 until 1973, when he became Ambassador to the Philippines.

United States Ambassador to Pakistan

Nomination of George S. Vest. April 7, 1977

The President today announced that he will nominate George S. Vest of Bethesda, Md., to be Ambassador Extraordinary and Plenipotentiary of the United States to Pakistan. Vest is a Foreign Service officer of the Class of Career Minister.

Vest was born December 25, 1918, in Columbia, Va. He received a B.A. in 1941 and an M.A. in 1947 from the University of Virginia. He served in the United States Army as captain from 1941 to 1946.

Vest entered the Foreign Service in 1947 as consular officer, Hamilton, Ontario. From 1949 to 1952, he was consular officer at Quito, and from 1952 to 1954 he was political officer at Ottawa. He was Canadian Desk Officer, then special assistant to the Assistant Secretary for European Affairs from 1954 to 1959.

From 1959 to 1960, Vest was political officer at Paris for SHAPE, and from 1960 to 1961 he was political officer at Paris for USRO. He was Chief of the Private Office for the Secretary General in Paris (NATO) from 1961 to 1963, and in 1963 and 1964 he attended the National War College.

From 1965 to 1967, Vest was deputy director of the Office of Atlantic Political-Military Affairs at the Department of State. He was Deputy Chief of Mission, Brussels, for USEC from 1967 to 1969 and Deputy Chief of Mission, Brussels, for NATO from 1969 to 1972.

Vest worked on CSCE negotiations for the State Department from 1972 to 1973. From 1973 to 1974, he was deputy assistant secretary for press relations. From 1974 to 1977, he served as Director of the

Bureau of Politico-Military Affairs at the State Department.

Vest received the Superior Honor Award in 1973 and is fluent in French.

Nuclear Power Policy

Remarks and a Question-and-Answer Session With Reporters on Decisions Following a Review of U.S. Policy. April 7, 1977

THE PRESIDENT. Good morning, everybody.

I have two items to discuss with you this morning. Then I'd like to answer a few questions.

ECONOMIC STIMULUS PACKAGE

One relates to the economy and the need for continuing emphasis on the stimulation package. Based on the best information available to us now, we'll have an accumulated spending shortfall for this current fiscal year, fiscal year 1977, plus revenue collections in excess of the anticipated amount, of about \$10 billion. In other words, we have collected about \$10 billion more from the American taxpayers than we anticipate spending in 1977.¹

I feel very strongly that this money should go back to the American taxpayers. We need it for the economy to maintain its present strength. And the only equitable way that I see is through the already prepared tax refund which would average about \$50 per person which, as I have said before, would be about 30 per-

¹ Later in the day, the White House Press Office issued the following clarification of the President's statement: "The Federal deficit is expected to be \$10 billion less than anticipated this year, because we are collecting more in taxes and spending less than we anticipated."

cent of the 1976 income taxes paid by a family making about \$10,000 a year.

NUCLEAR POWER POLICY

The second point I'd like to make before I answer questions is concerning our Nation's efforts to control the spread of nuclear explosive capability. As far back as 30 years ago, our Government made a proposal to the United Nations that there be tight international controls over nuclear fuels and particularly those that might be made into explosives.

Last year during the Presidential campaign, both I and President Ford called for strict controls over fuels to prevent the proliferation—further proliferation of nuclear explosive capability.

There is no dilemma today more difficult to address than that connected with the use of atomic power. Many countries see atomic power as their only real opportunity to deal with the dwindling supplies of oil, the increasing price of oil, and the ultimate exhaustion of both oil and natural gas.

Our country is in a little better position. We have oil supplies of our own, and we have very large reserves of coal. But even coal has its limitations. So, we will ourselves continue to use atomic power as a share of our total energy production.

The benefits of nuclear power, particularly to some foreign countries that don't have oil and coal of their own, are very practical and critical. But a serious risk is involved in the handling of nuclear fuels—the risk that component parts of this power process will be turned to providing explosives or atomic weapons.

We took an important step in reducing this risk a number of years ago by the implementation of the nonproliferation treaty which has now been signed by approximately a hundred nations. But we must go further.

We have seen recently India evolve an explosive device derived from a peaceful nuclear powerplant, and we now feel that several other nations are on the verge of becoming nuclear explosive powers.

The United States is deeply concerned about the consequences of the uncontrolled spread of this nuclear weapon capability. We can't arrest it immediately and unilaterally. We have no authority over other countries. But we believe that these risks would be vastly increased by the further spread of reprocessing capabilities of the spent nuclear fuel from which explosives can be derived.

Plutonium is especially poisonous, and, of course, enriched uranium, thorium, and other chemicals or metals can be used as well.

We are now completing an extremely thorough review of our own nuclear power program. We have concluded that serious consequences can be derived from our own laxity in the handling of these materials and the spread of their use by other countries. And we believe that there is strong scientific and economic evidence that a time for a change has come.

Therefore, we will make a major change in the United States domestic nuclear energy policies and programs which I am announcing today.

We will make a concerted effort among all other countries to find better answers to the problems and risks of nuclear proliferation. And I would like to outline a few things now that we will do specifically.

First of all, we will defer indefinitely the commercial reprocessing and recycling of the plutonium produced in U.S. nuclear power programs.

From my own experience, we have concluded that a viable and adequate economic nuclear program can be maintained without such reprocessing and recycling of plutonium. The plant at Barnwell, South Carolina, for instance, will receive

neither Federal encouragement nor funding from us for its completion as a reprocessing facility.

Second, we will restructure our own U.S. breeder program to give greater priority to alternative designs of the breeder other than plutonium, and to defer the date when breeder reactors would be put into commercial use.

We will continue research and development, try to shift away from plutonium, defer dependence on the breeder reactor for commercial use.

Third, we will direct funding of U.S. nuclear research and development programs to accelerate our research into alternative nuclear fuel cycles which do not involve direct access to materials that can be used for nuclear weapons.

Fourth, we will increase the U.S. capacity to produce nuclear fuels, enriched uranium in particular, to provide adequate and timely supplies of nuclear fuels to countries that need them so that they will not be required or encouraged to reprocess their own materials.

Fifth, we will propose to the Congress the necessary legislative steps to permit us to sign these supply contracts and remove the pressure for the reprocessing of nuclear fuels by other countries that do not now have this capability.

Sixth, we will continue to embargo the export of either equipment or technology that could permit uranium enrichment and chemical reprocessing.

And seventh, we will continue discussions with supplying countries and recipient countries, as well, of a wide range of international approaches and frameworks that will permit all countries to achieve their own energy needs while at the same time reducing the spread of the capability for nuclear explosive development.

Among other things—and we have discussed this with 15 or 20 national leaders already—we will explore the establish-

ment of an international nuclear fuel cycle evaluation program so that we can share with countries that have to reprocess nuclear fuel the responsibility for curtailing the ability for the development of explosives.

One other point that ought to be made in the international negotiation field is that we have to help provide some means for the storage of spent nuclear fuel materials which are highly explosive, highly radioactive in nature.

I have been working very closely with and personally with some of the foreign leaders who are quite deeply involved in the decisions that we make. We are not trying to impose our will on those nations like Japan and France and Britain and Germany which already have reprocessing plants in operation. They have a special need that we don't have in that their supplies of petroleum products are not available.

But we hope that they will join with us—and I believe that they will—in trying to have some worldwide understanding of the extreme threat of the further proliferation of nuclear explosive capability.

I'd be glad to answer a few questions.

QUESTIONS

FUEL/REPROCESSING CENTERS

Q. Mr. President, in the last administration there was some proposal to have regional reprocessing centers which seem, to some people, to put the emphasis on the wrong thing. Does this mean that you are going to not favor regional reprocessing centers? And, secondly, would you be prepared to cut off supplies of any kind of nuclear material to countries that go nuclear?

THE PRESIDENT. Well, I can't answer either one of those questions yet. I have had detailed discussions with Prime Minister Fukuda, with Chancellor Schmidt,

and also with Prime Minister Callaghan, for instance, just in recent days about a joint approach to these kinds of problems.

Obviously, the smaller nations, the ones that now have established atomic powerplants, have to have someplace either to store their spent fuel or to have it reprocessed. And I think that we would very likely see a continuation of reprocessing capabilities within those nations that I have named and perhaps others.

We in our own country don't have this requirement. It's an option that we might have to explore many, many years in the future.

But I hope that by this unilateral action we can set a standard and that those countries that don't now have reprocessing capability will not acquire that capability in the future. Regional plants under tight international control obviously is one option that we would explore. No decision has been made about that.

If we felt that the provision of atomic fuel was being delivered to a nation that did not share with us our commitment to nonproliferation, we would not supply that fuel.

Q. Mr. President, this carries an assurance, which you had said earlier, for an assured and adequate supply of enriched uranium to replace the need for plutonium. Do you foresee any kind of price guarantees also for underdeveloped and poorer countries so that the supply would not only be assured but at a reasonable price in case lack of reprocessing drove prices up?

THE PRESIDENT. I don't know what the future prices of uranium might be. At the present time, of the enriched uranium that we produce, about roughly a third of it is exported, roughly a third of it is used for our domestic needs, and about a third of it is put in storage.

There has been an attenuation in recent years of the projected atomic powerplant construction in our own country. Other nations, though, are moving more and more toward atomic powerplants. But I can't tell you at this point that we will guarantee a price for uranium fuel that's less than our own cost of production, and that would be a matter of negotiation, perhaps even on an individual national basis.

I think that a standard price would probably be preferable, but then we might very well give a particular nation that was destitute or a very close friend of ours or who cooperated with us in this matter some sort of financial aid to help them with the purchase.

NUCLEAR POWERPLANTS

Q. You also said last year, a couple of times, that you hoped to call a world energy conference to discuss this as well as a lot of other things. Do you foresee that happening any time in the near future?

THE PRESIDENT. The item of nuclear powerplants and the handling of spent nuclear fuels and the curtailment of the possibility of new nations joining us in their capability for explosives will be on the agenda in the discussions in London early in May. And this will be a continuing process for us.

I might add that Secretary Vance also discussed this question with the Soviet authorities on his recent visit to Moscow and asked them to join in with us in enhancing the nonproliferation concept. Their response was favorable. But it will entail a great deal of negotiation, and I can't anticipate what the results of those negotiations might be. We obviously hope for it to apply to all the nations in the world.

BREEDER REACTOR PROGRAM

Q. Mr. President, does your change in the domestic program mean that you will not authorize building the Clinch River breeder reactor in Tennessee?

THE PRESIDENT. The Clinch River breeder reactor will not be terminated as such. In my own budget recommendations to the Congress, we cut back—I can't remember the exact figure—about \$250 million out of the plutonium breeder reactor—the liquid metal fast breeder reactor program.

I think that we would continue with the breeder reactor program on an experimental basis, research and development, but not move nearly so rapidly toward any sort of commercial use.

We also, obviously, are concerned about the adverse economic impact of these changes. And in the areas that would lose employment that was presently extant, as we increase our capacity for producing nuclear fuels, even using new techniques, other than gaseous diffusion like centrifuge and laser beam use, then we would try to locate those facilities over a period of time—it's a very slow-moving process—in areas like Clinch River where they might be adversely affected.

NUCLEAR POWERPLANTS

Q. Mr. President, does this mean that Canada selling nuclear power equipment to France and others, and France selling to others—does this mean that we will supply those other countries so that they won't make more power?

THE PRESIDENT. Well, I might say that the two countries that most nearly share our commitment and even moved ahead of us in this field have been Canada—perhaps because of their unfortunate experience with India—and Australia.

Both those countries, along with us, have substantial supplies of nuclear fuel themselves.

I would hope that we could develop an interrelationship with other countries to remove the competitive aspect of reprocessing itself. There is obviously going to be continued competition among our own Nation, Canada, France, Germany, England, in the selling of atomic powerplants themselves. It ought to be a clearly drawn distinction between the legitimate and necessary use of uranium and other enriched fuels to produce electricity, on the one hand, and a prohibition against the use of those fuels for explosives.

It would be impossible, counterproductive, and ill-advised for us to try to prevent other countries that need it from having the capability to produce electricity from atomic power. But I would hope that we and the other countries could form an alliance that might be fairly uniform in this respect. I know that all the other countries share with us this hope.

The one difference that has been very sensitive, as it relates to, say, Germany, Japan, and others, is that they fear that our unilateral action in renouncing the reprocessing of spent fuels to produce plutonium might imply that we prohibit them or criticize them severely because of their own need for reprocessing. This is not the case. They have a perfect right to go ahead and continue with their own reprocessing efforts. But we hope they'll join with us in eliminating in the future additional countries that might have had this capability evolve.

FOREIGN NUCLEAR WEAPON CAPABILITY

Q. Mr. President, is it your assessment, sir, that some of the smaller nations that are now seeking reprocessing technology

are doing so in order to attain nuclear weapon capability as well as or in addition to meeting their legitimate energy needs?

THE PRESIDENT. Well, without going into specifics—I wouldn't want to start naming names—I think it's obvious that some of the countries about whom we are concerned have used their domestic nuclear powerplants to develop explosive capability. There is no doubt about it.

India, which is basically a peaceful nation, at least as far as worldwide connotations are concerned, did evolve an explosive capability from supplies that were given to them by the Canadians and by us.

And we feel that there are other nations that have potential capacity already for the evolution of explosives. But we are trying to make sure that from this point on that the increasing number of nations that might have joined the nuclear nations is attenuated drastically.

We can't undo immediately the mistakes that have been made in the past. But I believe that this is a step in the right direction.

Just one more question.

WATER RESOURCE PROJECTS

Q. Mr. President, are you willing to trade off your scrapping of 30 water projects or even some of them in exchange for a tax rebate package?

THE PRESIDENT. Well, I am not much of a trader. That is one of my political defects for which I have been criticized a great deal. We will be receiving the report on the analysis of water projects about April 15. I am not sure if that exact date will be met. And I'll assess each one of those projects on its own merits. And I would hope that the \$50 tax refund will also be assessed on its own merits.

I know enough about politics to realize that we will lose some votes perhaps with-

in the Congress because of water projects that we don't advocate. I also realize that there might be water projects that would be completed, I think ill-advisedly, against my inclinations. I don't have the final say-so about it. So, there will have to be some interrelationship there. I wish and hope there is little, if any. But I can't prevent that.

But I am not inclined at all to trade a water project that's not needed or my approval of it in return for a vote on the tax refund which I think is needed for every Member of Congress and the people that look to that Congress Member for leadership.

Q. What's your forecast on the passage of the tax rebate?

THE PRESIDENT. I don't know yet. Majority Leader Byrd and Senator Cranton, Senator Humphrey, and others had a meeting, I believe, on Tuesday. They had additional meetings yesterday.

They are working very hard on this vote. I talked to Senator Byrd this morning, and he gave me a report on the progress that he thought we were making. And also the Vice President and I are contacting some of the Members of the Senate to let them know about our arguments on why the tax refund should be given back to the American people.

This morning I drafted about a 1½ page summary of the arguments ² in favor

² Later in the day, the White House Press Office released the summary to which the President referred and announced that it had been sent to Democratic Senators and to those Republican Senators whose position on the rebate portion of the economic stimulus package had not been determined.

The text of the summary follows:

ARGUMENTS SUPPORTING THE CONTINUING NEED FOR THE REBATE

1. *Rebate will help those most in need. It will provide added purchasing power for low and middle income persons. Over 60% will go*

of the tax refund to the American people, including the shortfall in spending and the overcollection of taxes which is a

to families earning less than \$15,000 and another 23% to those between \$15,000–\$20,000. A working family of four will get \$200. The program also covers senior citizens and working families who have no tax liability. For a family of four earning \$10,000 this will mean a 30% reduction in their tax liability. Combined with our proposal to increase the standard deduction, their tax liability would be reduced by 50%.

2. *The economy still needs fiscal stimulus to maintain strong growth rate and keep unemployment moving down steadily over the rest of this year.*

(a) Recent pickup in economic activity partly reflects natural rebound from the depressing effects of the cold weather and business rebuilding inventories. These influences on the economy will be temporary.

(b) To date the Federal Government has unexpectedly spent less and collected more than we anticipated, to the tune of about \$10 billion. This will certainly slow down the recovery unless we do something about it. The \$11 billion tax rebate is the *only* way we can offset this economic drag *now*. It is the only fair way to do so for the American taxpayer.

3. Continued growth and reduction in unemployment depends on strong consumer spending. *In the absence of the rebate, consumer spending could weaken in 1977.* Added fuel bills and rising food prices will siphon off some consumer purchasing power.

4. *The rebate will work.* It is a tested method for stimulating consumer spending.

(a) About 60% of the 1975 rebate was spent. The proportion could be higher in 1977 because consumer confidence is stronger now.

(b) *The rebate will affect the economy quickly.* The jobs and public works programs we have recommended will take some time to get underway.

5. *The rebate means 250,000 more jobs and \$15 billion in added GNP by the end of the year. Without the rebate, we will lose these jobs and the added income.*

6. *The rebate preserves options for the future.*

(a) For permanent tax reform.

recent development. I think that prospects still look good.

Thank you very much.

REPORTER. Thank you, Mr. President.

NOTE: The President spoke at 11:20 a.m. in the Briefing Room at the White House.

Nuclear Power Policy

Statement on Decisions Reached Following a Review. April 7, 1977

There is no dilemma today more difficult to resolve than that connected with the use of nuclear power. Many countries see nuclear power as the only real opportunity, at least in this century, to reduce the dependence of their economic well-being on foreign oil—an energy source of uncertain availability, growing price, and ultimate exhaustion. The U.S., by contrast, has a major domestic energy source—coal—but its use is not without penalties, and our plans also call for the use of nuclear power as a share in our energy production.

The benefits of nuclear power are thus very real and practical. But a serious risk accompanies worldwide use of nuclear power—the risk that components of the nuclear power process will be turned to providing atomic weapons.

We took an important step in reducing the risk of expanding possession of atomic weapons through the nonproliferation treaty, whereby more than 100 nations have agreed not to develop such explosives. But we must go further. The U.S.

(b) For expansion of other needed programs.

(c) For balanced budget by fiscal year 1981.

7. With present levels of high unemployment and idle capacity, rebate should not add significantly to inflationary pressures.

8. Without the rebate, too large a proportion of the tax reduction would be going to businesses and not enough to consumers.

is deeply concerned about the consequences for all nations of a further spread of nuclear weapons or explosive capabilities. We believe that these risks would be vastly increased by the further spread of sensitive technologies which entail direct access to plutonium, highly enriched uranium, or other weapons usable material. The question I have had under review from my first day in office is how can that be accomplished without forgoing the tangible benefits of nuclear power.

We are now completing an extremely thorough review of all the issues that bear on the use of nuclear power. We have concluded that the serious consequences of proliferation and direct implications for peace and security—as well as strong scientific and economic evidence—require:

- a major change in U.S. domestic nuclear energy policies and programs; and
- a concerted effort among all nations to find better answers to the problems and risks accompanying the increased use of nuclear power.

I am announcing today some of my decisions resulting from that review.

First, we will defer indefinitely the commercial reprocessing and recycling of the plutonium produced in the U.S. nuclear power programs. From our own experience, we have concluded that a viable and economic nuclear power program can be sustained without such reprocessing and recycling. The plant at Barnwell, South Carolina, will receive neither Federal encouragement nor funding for its completion as a reprocessing facility.

Second, we will restructure the U.S. breeder reactor program to give greater priority to alternative designs of the breeder and to defer the date when breeder reactors would be put into commercial use.

Third, we will redirect funding of U.S. nuclear research and development programs to accelerate our research into alternative nuclear fuel cycles which do not involve direct access to materials usable in nuclear weapons.

Fourth, we will increase U.S. production capacity for enriched uranium to provide adequate and timely supply of nuclear fuels for domestic and foreign needs.

Fifth, we will propose the necessary legislative steps to permit the U.S. to offer nuclear fuel supply contracts and guarantee delivery of such nuclear fuel to other countries.

Sixth, we will continue to embargo the export of equipment or technology that would permit uranium enrichment and chemical reprocessing.

Seventh, we will continue discussions with supplying and recipient countries alike, of a wide range of international approaches and frameworks that will permit all nations to achieve their energy objectives while reducing the spread of nuclear explosive capability. Among other things, we will explore the establishment of an international nuclear fuel cycle evaluation program aimed at developing alternative fuel cycles and a variety of international and U.S. measures to assure access to nuclear fuel supplies and spent fuel storage for nations sharing common nonproliferation objectives.

We will continue to consult very closely with a number of governments regarding the most desirable multilateral and bilateral arrangements for assuring that nuclear energy is creatively harnessed for peaceful economic purposes. Our intent is to develop wider international cooperation in regard to this vital issue through systematic and thorough international consultations.

United States Ambassador to Mexico

*Nomination of Patrick J. Lucey.
April 7, 1977*

The President today announced that he will nominate Patrick J. Lucey, of Madison, Wis., to be Ambassador Extraordinary and Plenipotentiary of the United States to Mexico. Lucey is Governor of the State of Wisconsin.

He was born on March 21, 1918, in La Crosse, Wis. He received a B.A. in philosophy from the University of Wisconsin in 1946. Until 1970 he was founder and president of a real estate firm in Madison, Wis.

Lucey was a member of the Wisconsin State Assembly from 1948 to 1950, and in 1950 he ran for the United States House of Representatives. In 1951 and 1952, he served as director of the Wisconsin Democratic Party, and he managed the senatorial campaign of Thomas E. Fairchild against Senator Joseph McCarthy in 1952.

From 1957 to 1963, Lucey was chairman of the Wisconsin Democratic Party. In 1957 he also was head of Senator William Proxmire's campaign committee, and in 1960 he was a campaign aide in the Presidential campaign of John F. Kennedy.

Lucey was lieutenant governor of Wisconsin from 1964 to 1966, and in 1966 he was the Democratic candidate for Governor of Wisconsin. He has served as Governor since 1971.

Lucey has served as chairman of the National Democratic Governors' Conference, the National Governors' Conference Committee on Executive Management and Fiscal Affairs, and the Great Lakes Governors' Caucus. He has been a member of the National Advisory Commission for Balanced Growth; the Public Sector Committee, National Commission on Productivity and Work Quality; the Commit-

tee of One Hundred for National Health Insurance; and the National Committee for Public Financing of Elections.

Administrator of General Services

*Nomination of Joel W. (Jay) Solomon.
April 7, 1977*

The President today announced that he will nominate Joel W. (Jay) Solomon, of Chattanooga, Tenn., to be Administrator of the General Services Administration. Solomon is chairman of the board of Arlen Shopping Center, vice president and a member of the board of Arlen Realty and Development Corp., and vice president and a member of the board of Arlen Realty of North Carolina.

Solomon was born on June 22, 1921, in Chattanooga. He received a B.A. from Vanderbilt University in 1942.

From 1942 to 1971, he was a partner in Independent Enterprises, in Chattanooga, which owned and managed several movie theaters and developed and managed shopping centers. In 1970 the firm merged with Arlen Realty, a large, public-owned, listed, diversified real estate company. Solomon became vice president of Arlen Realty in 1971.

Solomon was a member of the board of the Chattanooga Housing Authority and Urban Renewal for 16 years, serving as chairman of the board for part of that period.

North Atlantic Treaty Organization

*Nomination of W. Tapley Bennett, Jr., To Be
U.S. Permanent Representative. April 7, 1977*

The President today announced that he will nominate W. Tapley Bennett, Jr., of

Athens, Ga., to be the United States Permanent Representative on the Council of the North American Treaty Organization with the rank and status of Ambassador Extraordinary and Plenipotentiary. Bennett was previously Deputy Representative of the United States to the United Nations.

He was born on April 1, 1917, in Griffin, Ga. He received an A.B. from the University of Georgia in 1937 and an LL.B. from George Washington University in 1948. He took graduate studies at the University of Freiburg, Germany, in 1937 and 1938. Bennett speaks German, Spanish, and French. He served in the U.S. Army from 1944 to 1946.

Prior to his entry into the Foreign Service in 1941, Bennett was an instructor at the University of Georgia and a trainee at the National Institute of Public Affairs in Washington. He served as a junior economic analyst in the American Embassy in Ciudad Trujillo in 1941 and in the Embassy in Panama in 1944.

He served in the Department on Latin American Affairs, becoming officer in charge of Central America and Panama Affairs in 1950. He became deputy director of the Office of South American Affairs in 1951. In 1954 Bennett attended the National War College.

He served as foreign affairs officer in the Office of the Deputy Under Secretary in 1955 and as Special Assistant to the Deputy Under Secretary in 1956. He was assigned to Vienna as a political counselor in 1957 and to Athens as Counselor of the Embassy in 1961.

Bennett served as Ambassador to the Dominican Republic from 1964 to 1966 and as Ambassador to Portugal from 1966 to 1969. From 1969 to 1971, he was a faculty adviser at Air University, Maxwell Air Force Base, and he served as Deputy Representative of the U.S. in the Security Council of the United Nations from 1971

until 1973, when he became Deputy Representative of the United States to the United Nations.

Immigration and Naturalization Service

Nomination of Leonel Castillo To Be Commissioner. April 7, 1977

The President today announced that he will nominate Leonel Castillo, of Houston, Tex., to be Commissioner of the Immigration and Naturalization Service in the Department of Justice. Castillo is the city controller of Houston.

He was born on June 9, 1939, in Victoria, Tex. He received a B.A. cum laude from St. Mary's University in San Antonio in 1961 and an M.S.W. degree from the University of Pittsburgh in 1967.

In 1967 and 1968, Castillo was supervisor of the Human Resources Development Program of the Neighborhood Centers-Day Care Association in Houston. From 1968 to 1970, Castillo served as director for Jobs for Progress in Houston.

In 1970 and 1971, Castillo served as director of the Catholic Council on Community Relations in Houston. In 1972 he became city controller.

He is presently treasurer of the State Democratic Party of Texas.

Federal Energy Administration

Nomination of Leslie J. Goldman To Be Assistant Administrator. April 7, 1977

The President today announced that he will nominate Leslie J. Goldman, of Washington, D.C., to be Assistant Administrator of the Federal Energy Administration. Goldman is special counsel to Senator Adlai E. Stevenson.

Goldman was born in Chicago, Ill., on April 22, 1945. He received a B.A. in English from the University of Michigan in 1967 and a J.D. from the University of Michigan Law School in 1970.

Goldman has been special counsel to Senator Stevenson since 1970. He serves as director of State projects and counsel to the Oil and Natural Gas Production and Distribution Subcommittee of the Senate Commerce Committee.

Goldman has helped develop the major legislative and oversight initiatives involving oil price controls and drafted the Democratic energy platform. He has participated in developing legislation and investigations involving Alaska energy transportation systems and legislation for undertaking major new conservation and energy research and development efforts.

Government National Mortgage Association

Nomination of John H. Dalton To Be President. April 7, 1977

The President today announced that he will nominate John H. Dalton, of Dallas, Tex., to be President of the Government National Mortgage Association. Dalton is an account executive with Goldman, Sachs & Co., in Dallas.

He was born on December 13, 1941, in New Orleans, La. He received a B.S. degree from the U.S. Naval Academy in 1964 and an M.B.A. degree from Wharton School of Finance and Commerce at the University of Pennsylvania.

Dalton served in the U.S. Navy from 1964 to 1969 in the nuclear submarine program. He graduated from the U.S. Naval Nuclear Power School in Vallejo, Calif., in 1966 and from the U.S. Naval Nuclear Power Training Unit in Schenectady, N.Y., in 1967.

Since 1971 Dalton has been an account executive at Goldman, Sachs & Co., working with institutions and individuals in the management of their equity and fixed-income investments.

Dalton has served as a delegate to the Democratic National Convention and is a founding member of the Dallas Democratic Forum.

Department of the Army

Nomination of Alan J. Gibbs To Be an Assistant Secretary. April 7, 1977

The President today announced that he will nominate Alan J. Gibbs, of Hawthorn, N.J., to be Assistant Secretary of the Army (Installations and Logistics). Gibbs is deputy commissioner of the New Jersey Department of Human Services.

He was born on June 12, 1938, in Chicago Heights, Ill. He received a B.S. degree (1960) and an M.A. degree (1963) from the University of Illinois.

From 1963 to 1966, Gibbs was a field labor-management relations examiner for the National Labor Relations Board in Baltimore. From 1966 to 1968, he was a technical assistance officer for the Equal Employment Opportunity Commission and from 1968 to 1970, he was area director of Alabama and Tennessee for the Commission. He received the EEOC's meritorious service award for his work in developing affirmative action programs.

Gibbs served as assistant administrator of the New York City Health Services Administration from 1970 to 1972, where he reorganized the district health services and installed new program budgeting and management reporting systems.

He was first deputy commissioner of the New York City Department of Health from 1972 until 1974, when he became

deputy commissioner of the New Jersey Department of Human Services.

Drought Relief Bill

Remarks at the Signing Ceremony. April 7, 1977

THE PRESIDENT. For the last 2 years we have had extraordinary drought conditions in some parts of the West and Middle West. And in some of the regions in 1977 already we have had the worst drought conditions in the history of our Nation, and there are indications that drought will continue throughout this year.

Most of our American laws and relief programs are designed not for extraordinary circumstances like this where the broad-ranging geographical damage is so extensive.

Earlier this winter Senator Jackson, Congressman Meeds, and others have begun to work on comprehensive drought relief. They worked very closely with my own White House staff and with Secretary of Interior Cecil Andrus. He has been out to meet with the Governors of the affected States, and I have had delegations come here to the White House to inform me about the extent of the drought damage.

We have now had the House and Senate very rapidly take action on this problem, and I am very glad today to sign Senate bill 925, which provides direct grants and loans for rapidly evolved irrigation programs for locally designed water projects and for some emergency loans that will tide the farmers and ranchers over in this time of drought. There is also an element of help for those who don't produce food and fiber, but who are affected in these regions, themselves.

I think the total extent of the package is almost \$900 million if it's used to its fullest extent. But I am very grateful for all of those who have been so eager to help the afflicted families of these drought regions. And with a great deal of pleasure I sign the bill which has been the product of so many people's good work.

[At this point, the President signed the bill into law.]

Cecil, you might want to make a comment. The administration of this act will be under the Department of Interior.

SECRETARY ANDRUS. Mr. President, a lot of people have worked long and hard for this relief. I think you've made that point very, very well, not only yourself and the members of your staff but a lot of people that are here today and a lot of people that aren't here today.

I will just report to you and to these people that we will have the regulations ready for the [FEDERAL] REGISTER on Monday, and that's before the money will be in place, because I understand that the House didn't get the appropriations finished before the recess.

THE PRESIDENT. Well, that's good and fast work.

SENATOR FRANK CHURCH. It is unprecedented.

THE PRESIDENT. Unprecedented but true. *[Laughter]*

Does anybody else have a comment to make?

SENATOR CHURCH. If you had two dozen rainmakers you could provide this. It might make the bill work. *[Laughter]*

THE PRESIDENT. I hope that we'll not need all this aid and that there will be some relief in the regions that were formerly so severely affected.

But I do want to express my thanks for this additional demonstration of close support and cooperation between the White House and the Senate and the

House. I think that the initiation for this proposal was in the Congress and I certainly am glad to share the credit.

REPRESENTATIVE LLOYD MEEDS. Let us return the compliment, however, and particularly to you and your staff, on the fast action coming up testifying affirmatively on it and helping us to get through some of the maze of our own procedures.

THE PRESIDENT. Thank you very much.

NOTE: The President spoke at 2:15 p.m. in the Cabinet Room at the White House.

As enacted, S. 925 is Public Law 95-18, approved April 7.

Drought Relief Bill

Statement on Signing S. 925 Into Law. April 7, 1977

It is with great pleasure that I sign S. 925. This bill will provide temporary authorities to the Secretary of the Interior to take emergency actions to relieve the effects of the current drought.

The bill would authorize up to \$100 million in financial assistance, principally through interest-free loans to reclamation projects and Indian irrigation projects, for acquisition and reallocation of water supplies, for drought-related studies, and for certain other construction, management, and conservation activities to alleviate the drought. Portions of the authorized funds are also specified for fish and wildlife protection and for certain State and non-Federal emergency programs.

The drought has lasted for 2 years in many parts of the West and Midwest. In some areas, 1977 will probably be the driest year on record. The drought already has caused significant economic losses and human suffering and will likely continue to do so in 1977.

Although Federal and State governments have already provided significant

aid in drought-stricken areas, we must do more.

This bill represents several weeks of intense and cooperative effort among Members of the Senate and the House of Representatives, the Department of the Interior, and the White House staff, to produce a workable program for drought assistance. I wish to thank all of those involved and particularly to note the leadership of Senator Jackson and Congressman Meeds in the swift passage of this legislation.

I hope that this bill, in conjunction with other measures I have proposed in a comprehensive, \$844 million drought assistance package, will provide help to those who have already suffered and reduce further suffering from the drought. I pledge every effort of this administration to ensure effective administration and implementation of S. 925 and other important drought relief measures. Our work has just begun. In commencing this work, I feel it is important that I sign S. 925 into law.

NOTE: As enacted, S. 925 is Public Law 95-18, approved April 7.

Minority Bank Deposit Program

Memorandum for the Heads of Departments and Agencies. April 8, 1977

Memorandum for the Heads of Departments and Agencies

The Government's minority bank deposit program has entered its seventh year of promoting the development of minority-owned business enterprises by increasing Federal and private sector deposits in minority banks. When the program began in 1970, there was \$3.7 million of Government-controlled funds on deposit in 31 minority banks. These have grown to \$86.6 million deposited in 81 minority

banks. The Treasury Department has set a goal of \$100 million for these deposits by the end of 1977.

The outstanding results of this program came from a cooperative effort between the minority-owned banks and the Federal Government. Minority banks have helped themselves by aggressive marketing and providing efficient, competitive services, and the participating Federal departments and agencies have reinforced these efforts.

The emphasis placed on good cash management policies throughout the Government has recently resulted in an unavoidable decline in Government-controlled funds in minority banks from a peak of \$89.2 million in mid-1976. Within the constraints of good cash management, I urge you to make every possible effort to locate deposits under your control or administered through your agency which can be channeled into minority banks.

It is important that the minority banks continue to participate in the progress of our Nation's banking industry. Your cooperation is vital. The costs of this program have been low and the dividends high.

I will keep abreast of your progress through the quarterly reports that you submit to the Treasury Department.

JIMMY CARTER

World Trade Week, 1977

Proclamation 4496. April 8, 1977

*By the President of the United States
of America*

A Proclamation

We live in a world where all of us must depend on each other—a world divided by nationality and philosophy, but drawn together by common problems and common hopes. We share with all people a

concern about unemployment, inequality, poverty, inflation, and the danger of war. And we share with all people the hope of a life free of hunger, disease, and repression, and a determination to overcome international differences with mutual trust, respect, and cooperation.

Our desire for justice, stability, and peace finds practical expression in world trade. Trade generates forces of friendship and understanding, which in turn bring us closer to the kind of world we want.

The United States is the unsurpassed leader in international commerce. Because our total trade is greater than that of any other nation, we can, by increasing our trade activities, make an enormous contribution to the health of the international economy, to the job market at home and abroad, to progressive relationships between rich and poor nations and, finally, to the cause of peace on our globe.

Now, THEREFORE, I, JIMMY CARTER, President of the United States of America, do hereby proclaim the week beginning May 22, 1977, as World Trade Week. I urge business, labor, agricultural, educational, professional and civic groups, the communications media, and all concerned Americans, to observe World Trade Week with meetings, discussions, exhibits, ceremonies, and other appropriate activities that promote continuing awareness of the importance of world trade to our Nation and to our relations with other nations.

IN WITNESS WHEREOF, I have hereunto set my hand this eighth day of April in the year of our Lord nineteen hundred seventy-seven, and of the Independence of the United States of America the two hundred and first.

JIMMY CARTER

[Filed with the Office of the Federal Register,
12:11 p.m., April 8, 1977]

Digest of Other White House Announcements

The following listing includes the President's daily schedule and other items of general interest as announced by the White House Press Office during the period covered by this issue. Events and announcements printed elsewhere in the issue are not included.

April 2

The President met at the White House with Zbigniew Brzezinski, Assistant to the President for National Security Affairs.

The President went to Andrews Air Force Base to greet Secretary of State Cyrus Vance upon the Secretary's return from his trip to Moscow.

The White House announced that the Chinese People's Institute of Foreign Affairs of the People's Republic of China has invited a bipartisan congressional delegation to visit China from April 7 to 17. The delegation will be led by Representative John Brademas of Indiana and Senator Richard Schweiker of Pennsylvania. The White House later announced that the President's son Chip will accompany the delegation.

April 4

The President met at the White House with:

- Dr. Brzezinski;
- the Cabinet;
- Vice President Walter F. Mondale;
- Charles L. Schultze, Chairman of the Council of Economic Advisers;
- Andrew J. Young, U.S. Representative to the United Nations, and Vice President Mondale;
- Secretary of Agriculture Bob S. Bergland, Secretary of Health, Education, and Welfare Joseph A. Califano, Jr., and Bert Lance, Director of the

Office of Management and Budget, to discuss food stamp programs;

- Secretary Bergland, Secretary of the Treasury W. Michael Blumenthal, Robert S. Strauss, Special Representative for Trade Negotiations, and a group of Senators, to discuss the domestic sugar industry.

The President greeted guests attending a tea hosted by Mrs. Carter for Mrs. Anwar al-Sadat of Egypt.

April 5

The President met at the White House with:

- Dr. Brzezinski;
- the Democratic congressional leadership;
- President Sadat of Egypt;
- House Majority Leader James C. Wright;
- Gov. Arthur Link of North Dakota;
- Mr. Lance;
- Peter G. Bourne, Special Assistant to the President for Health Issues;
- Tony T. Dechant, president of the National Farmers Union, and other representatives of the union.

April 6

The President met at the White House with:

- Dr. Brzezinski;
- Senators Abraham A. Ribicoff of Connecticut, John H. Glenn, Jr., of Ohio, and Charles H. Percy of Illinois;
- a group of trade union leaders;
- George Meany, president of the AFL-CIO, and other labor leaders;
- Gov. George Busbee of Georgia and a group of Japanese business leaders;
- Vice President Mondale, Adm. Stansfield Turner, Director of Central Intelligence, and Dr. Brzezinski;
- senior administration officials to discuss energy policy.

Administration of Jimmy Carter, 1977

April 7

The President met at the White House with:

- Dr. Brzezinski;
- senior White House staff members;
- a group of Congressmen from Maryland, New Jersey, Virginia, West Virginia, and New York;
- Secretary of Defense Harold Brown;
- The Most Reverend Jean Jadot, Apostolic Delegate to the United States.

The White House announced that the President last night declared a major disaster for the State of Kentucky as a result of severe storms and flooding beginning about April 4, which caused extensive public and private property damage.

The President today declared a major disaster for the States of Virginia and West Virginia as a result of severe storms and flooding beginning about April 3, which caused extensive public and private property damage.

The President transmitted to the Congress the annual report of the Federal Council on the Aging, which was prepared based upon activities of the Council prior to his term of office.

April 8

The President met at the White House with:

- Dr. Brzezinski;
- James T. McIntyre, Deputy Director of the Office of Management and Budget, and a group of OMB officers;
- violinist Yehudi Menuhin and Mrs. Menuhin;
- Vice President Mondale, Admiral Turner, and Dr. Brzezinski;
- Adm. Hyman G. Rickover, Director, Division of Naval Reactors, Energy Research and Development Administration.

The President and Mrs. Carter left the White House for a weekend visit in Calhoun, Ga., with their son Jack and his family.

NOMINATIONS SUBMITTED TO THE SENATE

The following list does not include promotions of members of the Uniformed Services, nominations to the Service Academies, or nominations of Foreign Service officers.

Submitted April 4, 1977

JORDAN J. BARUCH, of New Hampshire, to be an Assistant Secretary of Commerce, vice Betsy Ancker-Johnson.

GRACIELA (GRACE) OLIVAREZ, of New Mexico, to be Director of the Community Services Administration, vice Samuel R. Martinez, resigned.

ANDREW J. CHISHOM, of South Carolina, to be United States Marshal for the District of South Carolina for the term of 4 years, vice James E. Williams, resigning.

Submitted April 5, 1977

WILLIAM M. HOEVELER, of Florida, to be United States District Judge for the Southern District of Florida, vice Peter T. Fay, elevated.

ALAN K. CAMPBELL, of Texas, to be a Civil Service Commissioner for the remainder of the term expiring March 1, 1979, vice Robert E. Hampton, resigned.

Submitted April 7, 1977

JAY SOLOMON, of Tennessee, to be Administrator of General Services, vice Jack M. Eckerd, resigned.

JOHN HOWARD DALTON, of Texas, to be President, Government National Mortgage Association, vice David M. deWilde, resigning.

WILLIAM J. WHITE, of Massachusetts, to be a member of the Board of Directors of the New Community Development Corporation, vice Otto George Stolz, resigned.

RUTH PROKOP, of the District of Columbia, to be General Counsel of the Department of Housing and Urban Development, vice Robert R. Elliott, resigned.

ALAN J. GIBBS, of New Jersey, to be an Assistant Secretary of the Army, vice Harold L. Brownman, resigned.

Administration of Jimmy Carter, 1977

NOMINATIONS—Continued

Submitted April 7—Continued

LESLIE JAY GOLDMAN, of Illinois, to be an Assistant Administrator of the Federal Energy Administration, vice William G. Rosenberg, resigned.

GEORGE J. MITCHELL, of Maine, to be United States Attorney for the District of Maine for the term of 4 years, vice Peter Mills, term expired.

W. TAPLEY BENNETT, JR., of Georgia, to be the United States Permanent Representative on the Council of the North Atlantic Treaty Organization, with the rank and status of Ambassador Extraordinary and Plenipotentiary.

PHILIP HENRY ALSTON, JR., of Georgia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Australia.

ANNE COX CHAMBERS, of Georgia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Belgium.

KINGMAN BREWSTER, JR., of Connecticut, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the United Kingdom of Great Britain and Northern Ireland.

ROBERT F. GOHEEN, of New Jersey, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to India.

WILLIAM H. SULLIVAN, of Rhode Island, a Foreign Service officer of the Class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Iran.

SAMUEL W. LEWIS, of Texas, a Foreign Service officer of Class one, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Israel.

MICHAEL J. MANSFIELD, of Montana, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Japan.

WILBERT JOHN LE MELLE, of New York, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Kenya.

WILBERT JOHN LE MELLE, of New York, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Seychelles.

GEORGE S. VEST, of Maryland, a Foreign Service officer of the Class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Pakistan.

NOMINATIONS—Continued

Submitted April 7—Continued

LEONEL J. CASTILLO, of Texas, to be Commissioner of Immigration and Naturalization, vice Leonard F. Chapman, Jr., resigning.

**CHECKLIST OF WHITE HOUSE
PRESS RELEASES**

The following releases of the Office of the White House Press Secretary, distributed during the period covered by this issue, are not included in the issue.

Released April 4, 1977

Biographical data: Andrew J. Chishom, the President's nominee to be United States Marshal for the District of South Carolina

Released April 5, 1977

Biographical data: William M. Hoeveler, the President's nominee to be United States District Judge for the Southern District of Florida

Released April 6, 1977

Announcement: the President's signing of S. 626, the Reorganization Act of 1977 (Public Law 95-17)

News conference: on the Reorganization Act of 1977—by Bert Lance, Director, Office of Management and Budget

News conference: on the President's message to Congress on consumer protection legislation—by Esther Peterson, Special Assistant to the President for Consumer Affairs

Released April 7, 1977

Biographical data: George J. Mitchell, the President's nominee to be United States Attorney for the District of Maine

**ACTS APPROVED BY
THE PRESIDENT**

Approved April 6, 1977

S. 626----- Public Law 95-17
Reorganization Act of 1977.

Approved April 7, 1977

S. 925----- Public Law 95-18
An act to provide temporary authorities to the Secretary of the Interior to facilitate emergency actions to mitigate the impacts of the 1976-77 drought.

PRESIDENTIAL DOCUMENTS

Week Ending Friday, April 15, 1977

Dobbins Air Force Base, Georgia

*Question-and-Answer Session With
Reporters on Arrival. April 8, 1977*

THE PRESIDENT. Hello, everybody. I'm glad to be back home in Georgia. This is the first time that I've had a chance to fly on Air Force One down here. And we are very grateful to spend Easter with my own family and in this State which is always my home.

This also gives me a chance to meet again with Governor Busbee to talk about some of the environmental questions that have been addressed so well by him, and some of the very interesting and exciting announcements that will be made soon about the Georgia coast which I love so much.

I'd be glad to answer a few questions, beginning with the local news media, if you have any.

REPORTER. [*Inaudible*]

THE PRESIDENT. That's correct.

ECONOMIC STIMULATION PACKAGE

Q. [*Inaudible*]

THE PRESIDENT. No, it won't have any effect on it. Obviously, it makes it much more important that we give a well-considered report to the Nation on what can be done to control inflationary pressures.

This has been a worldwide problem. And I think that part of the inflationary index increase last week was caused by the transient effect of the very severe winter and the damage to food and the excessive use of energy. But it's a constant problem, about 6-percent annual rate of inflation.

The economic stimulus package can be implemented completely without any adverse effect, in my opinion, on inflationary pressures. We've got about only 80 percent of our industrial capacity, factories and so forth, being used. We still have over 7 percent of our people who are out of work. And as a matter of fact, the amount of money that was collected from American taxpayers last year has been excessive compared to the expenditures this year as Congress had contemplated.

We will lack about \$8 billion spending the money this year that Congress did appropriate. We've had an overcollection of about \$3 billion from the American taxpayers, more than we had anticipated. And I think the best thing to do with this extra money is to return it to the taxpayers immediately and directly, rather than having the Government spend it.

So, our economic stimulation package is necessary. I hope it will hold together, and the approaches to inflation are long-range in nature. And the message that I deliver

next week to the American people will outline some of the problems, a few of the answers that we have, and emphasize the cooperation that's going to be required.

ANDREW YOUNG

Q. Mr. President, do you have any reservations or maybe second thoughts about Ambassador Young's comments on Great Britain?

THE PRESIDENT. Well, I think Andy has explained to the British what he meant. I think they've accepted his explanation well. The British Government considers it to be an end to the matter, and so do I.

BRUMBY ROCKERS

Q. Mr. President, have you received your Brumby rockers yet?

THE PRESIDENT. Yes, I have. As a matter of fact, on my desk is a photograph of the five Brumby rockers that I'm going to endorse and send back to the rocking chair manufacturing company when I get back to Washington Sunday night.

The first time we used them was when Cyrus Vance and Paul Warnke came to make a report to me and to Dr. Brzezinski and to Vice President Mondale. And the five of us used the Georgia rockers for the first time.

They are on the Truman balcony, and I've really enjoyed them. They remind me a lot of the Georgia mansion, where we had a large back porch and some Georgia-made rocking chairs on it. So, we are proud of them. We've already used them, and I'll be using them regularly from now on.

GREAT BRITAIN AND RACISM

Q. Mr. President—[inaudible]—Ambassador Young's evaluation of the British stance on racism?

THE PRESIDENT. Well, I think all of the nations that were in such a dominant position in the last number of generations have obviously been guilty of racism. But I certainly wouldn't think the British are any more guilty than we are. I think we've all overcome that facet of our society in a very constructive way, and I don't believe that Great Britain deserves any special criticism.

THE MIDDLE EAST

Q. Mr. President, do you think that the resignation of Prime Minister Rabin may throw off your timetable for the Geneva talks and a settlement in the Middle East?

THE PRESIDENT. No, I don't. Obviously, the Israeli Labor Party will now be searching for a replacement candidate for Prime Minister Rabin in May. And I believe that the outcome of the election might very well be affected; nobody can anticipate how.

But there is a great realization among the Israeli leaders that 1977 is an important year. There is almost a unanimous commitment, I think, among all the Middle-eastern countries, that if we don't succeed this year in some major step toward peace that it will be a long time before we can mount such a mammoth multinational effort again.

So, it may be affected—the chances for peace—but no one can predict how. And I believe the Israelis will push forward with their own strong desire to have a permanent and lasting peace with the Arab neighbors, to have borders that they can defend, and that the Palestinian question be resolved. I don't think the identity of one particular political figure, even the Prime Minister, will affect that adversely.

Q. Mr. President, when you were meeting with President Sadat and you were talking about this Palestinian question, did you get any impression that there is

a way to get the Palestinians to Geneva as part of some delegation? And if so, can you give us some of your thinking on that?

THE PRESIDENT. Well, as you know, President Sadat earlier had been the Arab leader that was courageous enough to espouse the idea that the Palestinians might be part of the Jordanian delegation. Whether or not that will evolve, I don't have any way to anticipate.

But I have good hope that we can resolve the question of Palestinian participation in some fashion or another. At this point, which is quite early in the year's efforts, I believe that it's primarily a responsibility of the Arab countries and the Palestinians. And for me to spell out what I think is a most likely prospect, I think would be counterproductive at this point.

Q. Mr. President, do you think they should be represented?

THE PRESIDENT. Well, obviously, one of the three crucial decisions to be made in the Middle East concerns the Palestinian people. And there will have to be a spokesman for their viewpoint during the conference itself. Whether that would be done by a surrogate or by them directly is something that hasn't been evolved.

The other two questions, obviously, are the definition of permanent peace and the assurance of it, and the border delineations. But I certainly think that in some fashion that the Palestinian people must be represented.

Q. Mr. President, President Sadat used the word entity when he came to Washington, instead of Palestinian nation or Palestinian state.

THE PRESIDENT. Yes.

Q. Did you get any impression from him that he is moving toward, or more willing now to accept a Jordanian-Palestinian nation, that is, a homeland that would be under the control of Jordan?

THE PRESIDENT. That's a question I wouldn't want to answer for President

Sadat. I'll let him make his own statements publicly, and I don't intend to repeat what he tells me privately.

But I think that it's obvious that that's one avenue of success. It's one that I have espoused even during the campaign months; that perhaps some confederation or some relationship between the Palestinians and Jordan might be advisable.

As you know, there are approximately a million Palestinians who are part of the Jordanian society now, in very high positions in the government, and I think this is a natural possibility. Whether or not it will be the ultimate decision, I can't say.

Q. Can I go back to something you said earlier on another subject? That was the subject of the total \$11 billion in under-spending and over-tax collection.

THE PRESIDENT. Yes.

ECONOMIC STIMULATION PACKAGE

Q. Wouldn't it be just as arguable that you should take that \$11 billion and do less government borrowing; in other words, reduce the pressures on the credit market? Aren't you likely to get the kind of business investment then that would do the same thing for the economy you're talking about with the rebate?

THE PRESIDENT. I don't believe that would be a preferable approach, no.

We put together a stimulation package with tax reductions for business, which have fairly well been approved, even expanded; with a public works program, which has been adopted and even expanded; with public service jobs, which has been adopted by the Congress or even expanded.

And the only thing that's now lacking, as far as immediate prospect of success is concerned, is some benefit for the average working family who is employed and the low-income families who don't have employment.

I think that if this is omitted from an overall stimulus package, it would be grossly imbalanced against the people who need it most. So, my own approach to government is that when we do have a windfall of unexpended funds, plus increased tax collections, that the best approach would be to give it back to the taxpayers.

Q. But it isn't consumer confidence that's been staying low, it's business investment that has—[inaudible]—confidence.

THE PRESIDENT. I can't debate all the economic aspects of it, because I'm sure you are much more qualified than I am to do that. But I do feel that there is something to be said for giving consumers an opportunity to make extra purchases.

As you undoubtedly know, the GNP has shown favorable signs the last 2 months; so has the unemployment rate gone down somewhat. But consumer sales have still remained dormant. And people have been digging into savings recently to maintain even a limited level of consumer purchases.

I think to give them their part of their 1976 taxes back would be a good way to buy goods that would then cut down on inventories and allow the manufacturing plants to continue to manufacture goods.

But I don't know enough about it to say that that's the only possibility. In my opinion, it's the best approach.

INCOME TAX REBATE

Q. [Inaudible]—prospects for passage on the Hill of the rebate plan?

THE PRESIDENT. I think we have a good chance to pass the rebate, yes.

Q. [Inaudible]

THE PRESIDENT. Well, it's hard for me to say because I haven't had any accurate count on the attitudes of the Members of the Senate. I've talked to a number of the Senators in the last 2 days, whom I had heard were against the tax refund, and have found them to still have an open mind.

I believe that if they are presented with a factual picture about the need for a balanced program, the commitment of the Democratic leadership which was confirmed when they came down before Inauguration to meet with me in Plains, and the desire to give our economy some assured growth and consumers a chance to make purchases, to keep our factories going—I think with all these arguments in place, plus the \$11 billion shortfall and tax collection that I described, I think all these arguments would pay off.

Also, the, I think, Michigan State public opinion poll has shown that about 78 percent of the American people favor the tax refund. And this always, of course, makes a good impression on Presidents and Members of Congress.

I think we've got a good chance to pass it, but it's not going to be easy. Obviously, its interrelated with a lot of other things that relate to specific Congress men and women's interests.

The water project question is going to be involved. I would like to keep them separated, but I'm sure that there will be some reaction there.

The low levels of minimum wage that I advocated, compared to what labor wanted, will be a factor. The relatively low levels of farm price supports compared to what the farmers wanted, will be a factor.

But I think that we ought to maintain the concept of nonlinkage in domestic

affairs, as we have between SALT talks and human rights.

One more question.

THE SOVIET UNION

Q. Mr. President, what significance should be placed on Ambassador Dobrynin's visit to the State Department—[inaudible]—SALT talks? Does this indicate any softening in your mind on the part of the Russians?

THE PRESIDENT. It confirms my own unwavering opinion that the Soviets want a successful resolution of nuclear arms control, the same as we do.

It's always inevitable that in a political campaign or a SALT negotiation or a debate between myself and Congress, that the degree of combat and dispute and differences is the part that is emphasized. It's the most newsworthy part, and it's the part that's easier to understand.

There was a great deal of progress made in the recent Moscow talks. As you know, study committees were set up to explore new ideas that had never been put on the SALT negotiating table.

I believe that Mr. Dobrynin's conversation with Mr. Vance—and, of course, I've had a complete report on it—was encouraging. There is about a month between now and when the SALT negotiations will proceed in Geneva between Mr. Gromyko and Secretary Vance.

And during that period of time, we'll be reassessing some of the objections that the Soviets have raised to see if there is some alternative that would be equally fair to both sides, and we are now making projections of our own level of nuclear armaments in the number of missiles, the number of warheads, the throw weight and the diversity of nuclear capability

that would be in existence in 1985, if our proposal was accepted.

If during this reanalysis we show that there is any inequity there, we would be very eager to change it. My own opinion so far—and I've done a good bit of work on it, even since the Moscow talks—is that our proposal was fair and was equitable. And if the Soviets can give us some explanation about which we were not aware concerning their own capabilities or plans, I would certainly take that into consideration.

But I believe that Dobrynin's visit to Vance is encouraging. I think if one reads Gromyko's entire text in his press conference, it was encouraging. And the private messages that I have had from Mr. Brezhnev have also been encouraging.

I am not discouraged. And I'm determined that we'll succeed in having not only a ratification of the Vladivostok agreements but substantive commitments on both sides to actually reduce nuclear weapons below what they have been in the past.

Q. Have you heard from Brezhnev lately, Mr. President?

THE PRESIDENT. No. I think that I've already said that was the last question.

Let me say in closing that I'm very grateful to be home. Thank you for coming out here.

There is a continual means by which I can communicate with Mr. Brezhnev, either through normal diplomatic sources or otherwise. It's a routine sort of exchange, nothing dramatic or startling, no new concepts that have been proposed, but just an assurance that the Soviet leadership is as determined as I am to continue with the efforts.

REPORTER. Thank you, Mr. President.

THE PRESIDENT. Thank you.

REPORTER. Happy Easter.

Apr. 8

Administration of Jimmy Carter, 1977

THE PRESIDENT. Thank you. Same to you all.

NOTE: The President spoke at 4:30 p.m.

Calhoun, Georgia

Informal Remarks With Reporters at the First Baptist Church. April 10, 1977

REPORTER. Has it been a happy Easter for you?

THE PRESIDENT. Yes, we've enjoyed it; feel at home.

Q. Did you hear about the Russian trawler being seized?

THE PRESIDENT. Yes.

Q. Was that under your orders, Mr. President?

THE PRESIDENT. Well, we released several of them, and we just had to draw the line somewhere. We informed the Soviet Embassy this past week that we couldn't continue to release them, that we had to enforce the law.

REPORTER. Thank you, Mr. President.

NOTE: The President spoke at 12:10 p.m. outside the church where he attended Easter Sunday services.

Earlier in the day, the U.S. Coast Guard cutter *Decisive* had seized the Soviet fishing vessel *Taras Shevchenko* for an alleged violation of the Fishery Conservation and Management Act of 1976.

Briefings for Administration Executives

Memorandum for the Heads of Executive Departments and Agencies. April 11, 1977

Memorandum for the Heads of Executive Departments and Agencies

I am concerned that Presidential appointees and other key policy executives

receive authoritative briefings as soon as possible on those major laws and policies which affect the way in which they do their jobs. Illustratively, they need to know about budgetary and civil service laws, our policies on ethics and conflict-of-interest, the privacy and freedom of information acts, and similar statutes. They also need to be thoroughly acquainted with our policies in working with Congress and the media.

I have asked the U.S. Civil Service Commission, the Office of Management and Budget and the Presidential Personnel Office to develop a series of briefings for this purpose. You will soon be receiving from the Chairman of the Civil Service Commission a schedule of briefing meetings together with a request that you designate those individuals you wish to participate in each session. I have asked that these meetings be scheduled outside the regular working day so that it will be possible to have the full participation of your associates in this program. There is, in my judgment, nothing more important to successful government operations than having a well-informed leadership.

JIMMY CARTER

NOTE: The text of the memorandum was made available by the White House Press Office. It was not issued in the form of a White House press release.

On the same day, the White House Press Office issued an announcement concerning the memorandum which stated that briefers will include Cabinet members and other Government leaders. The sessions will cover topics such as operations of the Cabinet and White House staff, the Federal budgetary process, and Government reorganization. The briefings will begin on April 22. There will be six sessions, each scheduled for Friday afternoon and evening and all day Saturday. They will be held in the White House Family Theater.

Childhood Immunization Program

Memorandum for the Heads of Executive Departments and Agencies. April 11, 1977

Memorandum for the Heads of Executive Departments and Agencies

As you may know, approximately 20 million of the Nation's children under the age of 15 are not fully protected from preventable childhood diseases. At my request, the Secretary of Health, Education, and Welfare will initiate this week a continuing, high-visibility program and public information campaign to promote desirable childhood immunization. Our goal over the next two years is to reduce as much as humanly possible the numbers of youngsters without medical protection against many major childhood afflictions.

I want each of you to join in this nationwide initiative by taking direct and widespread actions to stress the very great importance of childhood immunization to all federal employees and to initiate effective, agency-wide information programs on how parents can obtain the needed immunizations for their children. Secretary Califano will send to you a packet containing the details of our nationwide program and a memorandum that will highlight any aspects of direct interest and concern to those of us in federal service.

I sincerely believe this single measure of preventive health care can and will affect the future lives and well-being of countless numbers of the Nation's children. I hope each of you will do what you can personally to inform those with whom you work and the Nation's citizens about it. At my request, Mr. Califano will periodically keep us all informed of the progress of this key health initiative and

of the additional measures we each may take to assure its success.

JIMMY CARTER

NOTE: The text of the memorandum was made available by the White House Press Office. It was not issued in the form of a White House press release.

Older Americans Month, 1977

Proclamation 4497. April 11, 1977

By the President of the United States of America

A Proclamation

Nearly 33 million Americans are at least 60 years old, and the number is growing by 500,000 a year.

Older Americans can provide our youngsters with an awareness of their heritage, and with a sense of family continuity.

And older Americans can pass on to our children not only the knowledge and wisdom that come with age, but also the values that guided our forebears in building a great republic.

We must find ways to assure that older citizens will continue to lead useful and productive lives. And we must find ways to use their experience, judgment and ability.

NOW, THEREFORE, I, JIMMY CARTER, President of the United States of America, do hereby designate the month of May, 1977, as Older Americans Month.

I call upon all Federal, State and community agencies, educators, the communications media, the clergy, and concerned organizations and individuals to do all that lies within their power to help assure that our older citizens have an adequate

personal income, access to housing facilities responsive to their needs, adequate services such as health care and transportation, fair employment opportunities, and opportunities for continued involvement in our Nation's activities. Let each of us resolve to do all that is possible to guarantee to these Americans that their later years will be rich, secure and filled with the dignity that is, and ought to be, the birthright of all Americans.

IN WITNESS WHEREOF, I have hereunto set my hand this eleventh day of April, in the year of our Lord nineteen hundred seventy-seven, and of the Independence of the United States of America the two hundred and first.

JIMMY CARTER

[Filed with the Office of the Federal Register,
4:08 p.m., April 11, 1977]

Earth Week, 1977

Proclamation 4498. April 12, 1977

*By the President of the United States
of America*

A Proclamation

Since the beginning of this decade, we have begun to recognize that our planet's capacity for satisfying the needs of mankind has limits. We have begun to see that we are its stewards, not its masters. Human activities, even well-intentioned ones, can inflict deep and lasting damage to the earth, the air, and the living plants and animals on which we depend. Protection of the environment is a debt we owe to ourselves and to those who will follow us.

During this same decade we have seen the effects of our activities grow increasingly severe. In the poorer nations, population growth on limited land has placed

pressure on the environment. In the industrialized world, patterns of production and consumption have increased pollution, begun to deplete resources, and generated hazardous substances which the earth does not naturally assimilate.

Some have questioned whether we can afford to pay the costs of reducing pollution, protecting our health, and preserving our national heritage. The truth is that environmental controls are consistent with a sound economy, and if we ignore the care of our environment our economy will eventually suffer.

It is appropriate, as spring brings warmth and the flowering of life, that we celebrate Earth Week. The concerns which it symbolizes must become a part of our private and public philosophies.

Now, THEREFORE, I, JIMMY CARTER, President of the United States of America, do hereby designate and proclaim the week beginning April 17, as Earth Week, 1977. I call upon officials and employees of all levels of government, business leaders, the communications media, and all Americans to join me in making environmental protection a fundamental concern that underscores all our actions.

In particular, I ask all educators to consider introducing an ecological perspective into every scholastic or academic discipline to encourage future application by graduates to protect the health of our planet.

IN WITNESS WHEREOF, I have hereunto set my hand this twelfth day of April, in the year of our Lord nineteen hundred seventy-seven, and of the Independence of the United States of America the two hundred and first.

JIMMY CARTER

[Filed with the Office of the Federal Register,
11:51 a.m., April 12, 1977]

Office of Management and Budget

Nomination of Lester A. Fettig To Be an Administrator. April 12, 1977

The President today announced that he will nominate Lester A. Fettig, of Springfield, Va., to be Administrator for Federal Procurement Policy in the Office of Management and Budget. Fettig is currently chief counsel and staff director of the Senate Subcommittee on Federal Spending Practices, Efficiency and Open Government.

Fettig was born on May 28, 1947, in Brooklyn, N.Y. He received a B.S. degree in aerospace and systems engineering from the California Institute of Technology in 1968 and an M.S. in engineering from the University of Southern California in 1969.

From 1969 to 1971, he was a consultant and member of the professional staff of the Center for Naval Analyses, where he led studies of defense acquisition policies, Navy mission planning, and technical and management analysis of major defense development programs.

He served as a professional staff member at the Commission on Government Procurement from 1971 to 1973, and concentrated on the Commission's major systems acquisition report. During 1971 and 1972, he was also a Younger Rockefeller Fellow at the Brookings Institution, focusing on system acquisition policies.

In 1973 and 1974, he was a professional staff member of the Senate Committee on Aeronautical and Space Sciences. He organized the Federal Procurement Subcommittee during the 93d Congress. He has held his current position since 1974.

Law Day, U.S.A., 1977

Proclamation 4499. April 12, 1977

By the President of the United States of America

A Proclamation

The rule of law protects our individual rights and defines our individual responsibilities.

Our commitment to the law deepens when we know that justice will not be delayed, denied, or dispensed with favoritism.

Our respect for the law grows when we are confident that it will remain a true champion of our basic liberties.

The duty of the legal profession is to help rather than to hamper the pursuit of these goals.

And the duty of each citizen is to work peacefully to bring about any changes in the law or its administration that might be needed to assure fair and objective treatment for all.

If our legal heritage is to be preserved, laymen and lawyers alike must understand and appreciate the role of our courts, and work to strengthen and improve our legal system.

To encourage the American people to reaffirm their commitment to the rule of law, the Congress has requested the President to issue a proclamation calling upon the American people to celebrate the first day of May of each year as Law Day, U.S.A. (75 Stat. 43, 36 U.S.C. 164).

NOW, THEREFORE, I, JIMMY CARTER, President of the United States of America, call upon the American people to celebrate Sunday, May 1, 1977, as Law Day, U.S.A., and to reflect upon their individual and collective responsibilities for the effective administration of the law.

I call upon the clergy, educators, the communications media, the courts, the legal profession, and all interested individuals and organizations to mark this twentieth annual nationwide observance of Law Day, U.S.A. with programs and ceremonies as befits our Nation's devotion to the principle of equal justice for all. To that end, I call upon all public officials to display the flag of the United States on all government buildings on that day.

IN WITNESS WHEREOF, I have hereunto set my hand this twelfth day of April, in the year of our Lord nineteen hundred seventy-seven, and of the Independence of the United States of America the two hundred and first.

JIMMY CARTER

[Filed with the Office of the Federal Register, 11:55 p.m., April 12, 1977]

ACTION Review Project

Remarks to Participants in the Project. April 12, 1977

One of the agencies in Government, as all of you know, which provides the closest and most personal link between the average citizen of our country and their own Government is the ACTION Agency.

We've been excited and inspired in the past when Hubert Humphrey and President Kennedy and others initiated the basic concept of a massive volunteer effort in our Government, both domestically and in overseas operations, for the Peace Corps and with the programs that we conduct here in our own country, VISTA and others.

We want to be sure that at the beginning of this new administration, under

the leadership of Sam Brown and Mary King,¹ that we reassess the most effective way to use this tremendous untapped resource of American citizens of very young age and very old age, highly educated, and those who have little education at all, who want to work with us among people who need their direct and personal help and advice, counsel, and support.

It's very important to make sure that this be done in an effective way. There is no incompatibility between effective organization, maximum use of financial and human resources on the one hand, kind of business-like management, and on the other, understanding and compassion and a real derivation of benefit from those who volunteer to help us.

I'm very grateful to all of you who are experts in management and all of those who've volunteered to help us in an advisory way to make sure that we reinvigorate the entire ACTION program, and, particularly, in the domestic scene. It means a lot to us. I think it can serve as perhaps no other program can to tap the tremendous interest that presently is growing, I believe, among the people of our Government, of our country, in their own Government.

And I think that because of the diversity of the programs—I think there are probably a dozen or so where you have different avenues to come into the Government and work on a voluntary basis—that we need to have some clear concept of a better way to manage this exciting program.

So, I want to let you know two things: one, of my personal and direct interest in it. I pledge to you that I'll do the best I can to carry out the recommendations that you make to the leaders of this agency;

¹ Director and Deputy Director of ACTION.

and secondly, I want to let you know that I appreciate your willingness to work with me and Bert Lance and the Vice President and the Congress, Sam and Mary, in making this agency more effective.

So, thank you from the bottom of my heart. We are forming a partnership that I think will pay rich dividends, and your expert knowledge and background and experience and your wide diversity of interest will be a tremendous resource for us.

So, thanks again. I'm willing to work with you as best I can.

NOTE: The President spoke at 2:25 p.m. in the Rose Garden at the White House. His remarks formally started a 6-week citizen review project of the ACTION Agency which involves volunteers from accounting firms and communities throughout the country as well as ACTION employees.

Radiation Control for Health and Safety Act

Message to the Congress Transmitting an Annual Report. April 12, 1977

To the Congress of the United States:

I transmit herewith the 1976 annual report on the administration of the Radiation Control for Health and Safety Act (Public Law 90-602), as prepared by the Department of Health, Education, and Welfare for a period of time prior to the commencement of my term.

The report's only legislative recommendation is that the requirement for the report itself, as contained in P.L. 90-602, be repealed. All of the information found in the report is available to Congress on an immediate basis through congressional committee oversight and budget hearings. The Department of Health, Education, and Welfare has concluded that this annual report serves little useful purpose and

diverts agency resources from more productive activities.

JIMMY CARTER

The White House,
April 12, 1977.

NOTE: The report is entitled "1976 Annual Report—Administration of the Radiation Control for Health and Safety Act of 1968, Public Law 90-602, April 1, 1977" (Department of Health, Education, and Welfare, 90 pp.).

The text of the message was made available by the White House Press Office. It was not issued in the form of a White House press release.

Commutation of G. Gordon Liddy's Prison Sentence

Announcement of the Commutation, With the Text of the Order. April 12, 1977

The President has today commuted the sentence of G. Gordon Liddy from the 20-year sentence which he received to a sentence of 8 years. This will make Mr. Liddy eligible for parole July 9 of this year. This will also make his mandatory release date, with credit for good time, September 30, 1980.

The President took this action in the interest of equity and fairness based on a comparison of Mr. Liddy's sentence with those of all others convicted in Watergate-related prosecutions.

ORDER OF COMMUTATION

*To all to whom these presents shall come,
Greeting:*

WHEREAS George Gordon Liddy was convicted in the United States District Court for the District of Columbia on an indictment (Doc. No. CC 1827-72) charging violation of Sections 371 and 2511, Title 18, United States Code, and Section 1801(b), Title 22, District of

Columbia Code, and on March twenty-third, 1973, was sentenced to twenty years' imprisonment and ordered to pay a fine of forty thousand dollars (\$40,000); and

WHEREAS the fine has not been paid and the said George Gordon Liddy began service of his sentence on January thirtieth, 1973, is presently confined in the Federal Prison Camp, Allenwood, Pennsylvania, will be eligible for release therefrom with credit for statutory good time on April twelfth, 1988, and will be eligible for parole consideration on July ninth, 1981; and

WHEREAS it has been made to appear that the ends of justice do not require that the aforesaid sentence be served in its entirety:

NOW, THEREFORE, BE IT KNOWN, that I, Jimmy Carter, President of the United States of America, in consideration of the premises, divers other good and sufficient reasons me thereunto moving, do hereby commute the aforesaid prison sentence of said George Gordon Liddy to a term of the eight years' imprisonment, the forty thousand dollars (\$40,000) fine to remain in effect.

IN TESTIMONY WHEREOF I have hereunto signed my name and caused the seal of the Department of Justice to be affixed.
[SEAL]

—DONE at the City of Washington this Twelfth Day of April, in the Year of Our Lord One Thousand Nine Hundred and Seventy-seven and of the Independence of the United States the Two-Hundred and First.

By the President: JIMMY CARTER

Attorney General: GRIFFIN B. BELL

NOTE: Deputy Press Secretary Rex Granum announced the order of commutation at his April 12 news conference at the White House.

National Defense Transportation Day and National Transportation Week, 1977

Proclamation 4500. April 13, 1977

*By the President of the United States
of America*

A Proclamation

Our Nation's transportation network provides us with the goods and services we need and the mobility in work and play that we want.

While our transportation systems have improved in recent years, they can still be made more efficient, accessible, and responsive to the needs of the nation. The Federal Government should take the lead in establishing and carrying out policies to help reduce energy consumption, curtail environmental abuses, and increase competition.

In recognition of the importance of reliable transportation to our economy and defense, and to encourage continued work on the problems that face our cities, roads, rail, air and water ways, the Congress has requested the President to proclaim annually the third Friday in May as National Defense Transportation Day, and the week in which that day falls as National Transportation Week (71 Stat. 30, 36 U.S.C. 160; 76 Stat. 69, 36 U.S.C. 166).

NOW, THEREFORE, I, JIMMY CARTER, President of the United States of America, do hereby designate Friday, May 20, 1977, as National Defense Transportation Day, and the week beginning May 15, 1977, as National Transportation Week.

I urge the Governors of our States and the Commonwealth of Puerto Rico, the Mayor of the District of Columbia, and

local officials to issue similar proclamations. I call upon individuals and organizations concerned with transportation, educators, the communications media, and the American people to join with the Department of Transportation in observing this day and week with appropriate ceremonies and activities.

IN WITNESS WHEREOF, I have hereunto set my hand this thirteenth day of April, in the year of our Lord nineteen hundred seventy-seven, and of the Independence of the United States of America the two hundred and first.

JIMMY CARTER

[Filed with the Office of the Federal Register, 11:55 a.m., April 13, 1977]

Organization of American States

Address Before the Permanent Council. April 14, 1977

Mr. Chairman, members of the Permanent Council, Mr. Secretary General, Permanent Observers of the OAS, Chiefs of the Specialized Organizations and Agencies, members of the press, distinguished guests:

Hace tres años, tuve el honor y placer de hablar ante la Asamblea General de la OEA celebrada en mi estado de Georgia. Igual que en Atlanta, hoy seguiré el consejo de mis compañeros, que opinan—para el beneficio de buenas relaciones—sería mejor que no hablara en español hoy. [Three years ago I had the honor and pleasure of speaking before the General Assembly of the OAS held in my State of Georgia. As I did then in Atlanta, I will today follow the advice of my friends, who have the opinion that, in the interest

of good relations, it would be better for me not to speak in Spanish today.]

Since I can also speak English, I will shift to that language. [Laughter]

That day in Atlanta, 3 years ago, I shared with you some of the thoughts that my wife and I had brought back from our visits to several of the American States. I spoke particularly for the need for constant cooperation, consultation, and harmony among the nations of this hemisphere. I believe that just as strongly today as President of the United States as I did 3 years ago as Governor of Georgia.

I am delighted to be with you in this beautiful House of the Americas. For nearly three decades the OAS has stood for mutual respect among sovereign nations, for peace, and the rule of law in this hemisphere. The OAS Charter pledges us to individual liberty and social justice. I come here now to restate our own commitment to these goals.

The challenge before us today, however, is not just to reaffirm those principles but to find ways to make them a reality. To do this, we must take account of the changes in our relationships that have taken place over the last 10 years, and we must candidly acknowledge the differences that exist among us. We must adapt our current policies and institutions to those changes so that we can pursue our goals more effectively.

As nations of the New World, we once believed that we could prosper in isolation from the Old World. But since the Second World War, in particular, all of us have taken such vital roles in the world community that isolation would now be harmful to our own best interests and to other countries. Our joining in the International Monetary Fund, the World Bank, and the General Agreement on Trade and Tariffs are all

signs that we understand this. So is the United Nations Conference on Trade and Development which Raul Prebisch of Argentina made into an important forum of the developing world. Venezuela is now cochairing the Paris Conference on International Economic Cooperation. The United Nations Economic Commission for Latin America is a source of many creative ideas on development throughout the world. The leaders of many Latin American nations have been the driving force behind improving North-South negotiations.

In all these ways, the nations of Latin America were among the first in our changing world to see the importance of adapting global institutions to the new realities of our day.

The problems and the promises of our region have become as diverse as the world itself. The economies of most Latin American nations have been developing rapidly, although, of course, at different rates. Some have an impressive rate of growth. Some—a few are among the poorest in the developing world. Some have abundant energy resources; others are desperately short of energy. Some of our countries export primary products only. Some have become major exporters of advanced manufactured goods while others export little at all. Your problems of market access, technology transfer, and debt management sometimes defy regional solutions.

In addition to economic diversity, we have all developed widely varied forms and philosophies of government. This diversity has brought national pride and national strength. And as you've played more independent and important roles in world politics, we have all begun to construct more normal and more balanced and more equal relationships.

In the light of these changes, a single United States policy toward Latin Amer-

ica and the Caribbean makes little sense. What we need is a wider and a more flexible approach, worked out in close consultation with you. Together, we will develop policies more suited to each nation's variety and potential. In this process, I will be particularly concerned that we not seek to divide the nations of Latin America one from another or to set Latin America apart from the rest of the world. Our own goal is to address problems in a way which will lead to productive solutions—globally, regionally, and bilaterally.

Our new approach will be based on three basic elements:

First of all is a high regard for the individuality and the sovereignty of each Latin American and Caribbean nation. We will not act abroad in ways that we would not tolerate at home in our own country.

Second is our respect for human rights, a respect which is also so much a part of your own tradition. Our values and yours require us to combat abuses of individual freedom, including those caused by political, social, and economic injustice. Our own concern for these values will naturally influence our relations with the countries of this hemisphere and throughout the world. You will find this country, the United States of America, eager to stand beside those nations which respect human rights and which promote democratic ideals.

Third is our desire to press forward on the great issues which affect the relations between the developed and the developing nations. Your economic problems are also global in character and cannot be dealt with solely on regional terms.

However, some of our own global policies are of particular interest to other American States. When major decisions are made in these areas, we will consult with you.

The United States will take a positive and an open attitude toward the negotiation of agreements to stabilize commodity prices, including the establishment of a common funding arrangement for financing buffer stocks where they are a part of individual and negotiated agreements.

We will actively pursue the multilateral trade negotiations with your governments in Geneva, Switzerland. We are committed to minimize trade restrictions and to take into account the specific trade problems of developing countries and to provide special and more favorable treatment where feasible and appropriate. We believe that this is in our mutual interest and that it will create important new opportunities for Latin American trade.

Our own science and technology can be useful to many of your countries. For instance, we are ready to train your technicians to use more information gathered by our own satellites, so that you can make better judgments on management of your resources and your environment. Space communications technology can also be a creative tool in helping your national television systems to promote your educational and cultural objectives.

I have asked Congress to meet in full our pledges to the Inter-American Development Bank and the other multilateral lending institutions which loan a high proportion of their capital to the relatively advanced developing countries of Latin America.

And finally, we are directing more and more of our bilateral economic assistance to the poorer countries. We are also prepared to explore with other nations new ways of being helpful on a wide range of institutional, human development, and technological approaches which might enable them to deal more effectively with the problems of the needy. All of us have a special responsibility to help the poorest

countries in the world as well as the poorest people in each of our countries.

I would like to add a word about private investment. Your governments are understandably interested in setting rules that will encourage private investors to play an important role in your development. We support your efforts and recognize that a new flexibility and adaptability are required today for foreign investment to be most useful in combining technology, capital management, and market experience to meet your development needs. We will do our part in this field to avoid differences and misunderstandings between your government and ours.

One of the most significant political trends of our time is the relationship between the developing nations of the world and the industrialized countries. We benefit from your advice and counsel, and we count on you to contribute your constructive leadership and help guide us in this North-South dialog.

We also hope to work with all nations to halt the spread of nuclear explosive capabilities. The States of Latin America took the initiative 10 years ago when you set up the first nuclear-free zone in any populated area of the world. The Treaty of Tlatelolco is a model worthy of our own admiration. For our part, the United States will sign, and I will ask the Senate to ratify, Protocol I of the treaty, prohibiting the placement of nuclear weapons in Latin America.

However, banning the spread of nuclear explosives does not require giving up the benefits of peaceful nuclear technology. We mean to work closely with all of you on new technologies to use the atom for peaceful purposes.

To slow the costly buildup of conventional arms, we are seeking global policies of restraint. We are showing restraint in our own policies around the world, and we will be talking to supplier nations and

to prospective buyers about ways to work out a common approach. We also believe that regional agreements among producers and purchasers of arms can further such a global effort.

I spent most of this morning working on a new United States policy to reduce the sale of conventional arms around the world. Again, you in Latin America have taken the lead. The pledge of eight South American nations to limit the acquisition of offensive arms in their region is a striking example. If the eight nations can implement their pledge, their own people will not be the only ones to benefit. They will have set a standard for others throughout the world to follow.

These are challenges that face us in the future. There are also problems that plague us from the past. And we must work together to solve them.

One that addresses itself to us is the Panama Canal. In the first days of my own administration, just a few weeks ago, I directed a new approach to our negotiations with Panama on a new Canal treaty. In the light of the changes which I discussed before, the Treaty of 1903, which combines [defines] our relationship with Panama on the canal, is no longer appropriate or effective.

I am firmly committed to negotiating in as timely a fashion as possible a new treaty which will take into account Panama's legitimate needs as a sovereign nation and our own interests and yours in the efficient operation of a neutral canal, open on a nondiscriminatory basis to all users.

Another problem which we must in a way address together is that of Cuba. We believe that normal conduct of international affairs and particularly the negotiation of differences require communication with all countries in the world. To these ends, we are seeking to determine whether relations with Cuba can be im-

proved on a measured and a reciprocal basis.

I am dedicated to freedom of movement between nations. I have removed restrictions on United States citizens who want to travel abroad. Today there are no restrictions imposed by our country. Today I have also removed similar travel restrictions on resident aliens in the United States.

We seek to encourage international travel, and we must take greater account of problems that transcend national borders. Drugs and international crime, including terrorism, challenge traditional concepts of diplomacy. For the well-being of our peoples, we must cooperate on these issues. With each passing year they will occupy a more and more central place in our deliberations.

I have a longstanding interest in the OAS, and I very much want to see it play an increasingly constructive role.

The General Assembly of the OAS has been an important forum for the direct exchange of views among our governments. Such ministerial consultations are extremely useful. They allow us to apply our own collective strength to political and economic problems.

The Inter-American Commission on Human Rights has performed valuable services. It deserves increased support from all our governments. We believe deeply in the preservation and the enhancement of human rights, and the United States will work toward coordinated and multilateral action in this field. The United States will sign, and I will seek Senate approval of, the American Convention on Human Rights negotiated several years ago in Costa Rica. And we will support, in cooperation with international agencies, broadened programs for aiding political refugees. I urge this organization and all its member states to take a more active role in the care, pro-

tection, and the resettlement of political refugees.

The peacekeeping function is firmly embedded in the OAS Charter. I want to encourage the Secretary General of the OAS to continue his active and effective involvement in the search for peaceable solutions to several long-standing disputes in this hemisphere. The United States will support his efforts and initiatives.

The OAS, of course, is not the only instrument of cooperation among the nations of the Americas. The Inter-American Development Bank is among the most important multilateral mechanisms for promoting development of the world today. By bringing in nations outside the Western Hemisphere, the IDB bears testimony to Latin America's growing involvement with the rest of the world.

Within this hemisphere, many of you are working toward regional and subregional integration efforts—including those in the Caribbean, in the Central American Common Market, and the Andean Pact—and we favor such efforts. They are the first steps toward Bolívar's vision of a hemisphere united.

Let me conclude by bringing up a matter that is particularly close to me because of my long interest in inter-American affairs. My wife and I have traveled and made many friends in Mexico and Brazil, the two largest and most rapidly changing countries in Latin America. And we have traveled elsewhere and made many friends in Central and South America. My wife is presently studying Spanish, along with the wife of the Secretary of State, and I have tried to keep up with my own Spanish that I learned at school. I have seen clearly how greatly our country has been blessed and enriched by the people and cultures of the Caribbean and Latin America. And we are bound together—and I see it very clearly—in cul-

ture, history, and by common purposes and ideals.

The United States actually has the fourth largest Spanish-speaking population in the world. I tried to meet many of them during my campaign the last 2 years. And they gave me their support and their encouragement and their advice. The novels we read, the music we hear, the sports that we play—all reflect a growing consciousness of each other.

These intellectual, social, cultural, and educational exchanges will continue, either with or without government help. But there are steps that governments can take to speed up and enhance this process. In the months ahead, therefore, we plan to explore with your governments—individually and here in the OAS—new people-to-people programs, an increase in professional and scientific exchanges, and other ways of strengthening the ties that already link us.

The challenge we face is to awake our institutions to a changing world. We must focus our attention on the problems which face our countries and tailor each solution to its problem.

As you know, I am a new President. I've got a lot to learn. My heart and my interest to a major degree is in Latin America. I welcome every opportunity to strengthen the ties of friendship and a sense of common purpose and close consultation with the nations and the peoples of the Caribbean and Latin America.

Many of you are leaders representing your own governments. I ask for your advice and your counsel and your support as we face problems together in the future. This means a lot to our country, and it means a lot to us also to have intimate bilateral and direct relationships with you.

We look on the OAS, headquartered thankfully here in Washington, as a channel through which we might learn more

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and receive advice and make plans for the future.

Simón Bolívar believed that we would reach our goals only with our peoples free and our governments working in harmony. I hope that the steps that I have outlined today and the commitments that I have made will move us toward those goals of peace and freedom.

Thank you very much.

NOTE: The President spoke at 12:26 p.m. at the Pan American Union.

Small Business Week, 1977

Proclamation 4501. April 14, 1977

*By the President of the United States
of America*

A Proclamation

Our nation's small businesses employ 100 million Americans and produce nearly half of our gross business product. Small businesses remain healthy in an economic environment that equates size with success because they take an active interest in the customers and communities they serve.

A successful small business is evidence of the independence, initiative and hard work of the man or woman who owns and operates it. Their spirit has been, and will continue to be, a major factor in our nation's growth.

NOW, THEREFORE, I, JIMMY CARTER, President of the United States of America, do hereby designate the week beginning Sunday, May 22, 1977, as Small Business Week, and I ask all Americans to join me in expressing the pride we take in our nation's small business sector.

IN WITNESS WHEREOF, I have hereunto set my hand this fourteenth day of April in the year of our Lord nineteen hundred seventy-seven, and of the Inde-

pendence of the United States of America the two hundred and first.

JIMMY CARTER

[Filed with the Office of the Federal Register,
3:23 p.m., April 14, 1977]

Federal Mediation and Conciliation Service

*Nomination of Wayne L. Horvitz To Be
Director. April 14, 1977*

The President today announced that he will nominate Wayne L. Horvitz, of Washington, D.C., to be Director of the Federal Mediation and Conciliation Service. Horvitz is chairman of the Joint Labor-Management Committee of the Retail Food Industry.

He was born on October 8, 1920, in Chicago, Ill. He received a B.A. from Bard College, Columbia University, in 1942 and an M.S. from Massachusetts Institute of Technology in 1953.

From 1947 to 1957, Horvitz served as associate director of personnel and labor relations for General Cable Corp. in New York City. From 1957 to 1960, he was an assistant professor at Arizona State University, a partner in Western Management Consultants, and a labor-management arbitrator in Phoenix.

Horvitz was vice president for industrial relations at Matson Navigation Co., in San Francisco from 1960 to 1967 and vice president of the company, based in Washington, from 1967 to 1969.

From 1969 to 1974, Horvitz worked as an independent arbitrator, mediator, and consultant on legislation, labor, and public affairs in Washington. In 1973-74 he served as a public member, vice chairman, and chairman of the Food Industry Tripartite Wage and Salary Committee of the Cost of Living Council.

Since 1974 Horvitz has been chairman of the Joint Labor-Management Committee of the Retail Food Industry and a member of the National Commission on Productivity and the Quality of Working Life.

United States Ambassador to Turkey

Nomination of Ronald I. Spiers.
April 14, 1977

The President today announced that he will nominate Ronald I. Spiers, of South Londonderry, Vt., to be Ambassador Extraordinary and Plenipotentiary of the United States to Turkey. Spiers is currently Deputy Chief of Mission in London.

Spiers was born on July 9, 1925, in Orange, N.J. He received a B.A. from Dartmouth College in 1948 and an M.A. from Princeton University in 1950. He served in the U.S. Navy from 1943 to 1946.

Spiers began his Government career in 1950 as Foreign Affairs officer with the Atomic Energy Commission. He joined the Department of State in 1955 in the Office of United Nations Political Affairs as Foreign Affairs officer. He was officer in charge of disarmament affairs from 1957 to 1960 and served as Director of the Office of Political Affairs in the United States Arms Control and Disarmament Agency from 1960 to 1962.

In 1962 he became Deputy Director and later Director of the Office of Atlantic Political-Military Affairs. From 1966 to 1969, he was Counselor for Political-Military Affairs in London.

From 1969 to 1973, Spiers was Director of the Bureau of Political-Military Affairs in the Department. He served as the first U.S. Ambassador to the Commonwealth of the Bahamas from 1973 until 1974,

when he became Deputy Chief of Mission in London.

Bureau of the Census

Nomination of Manuel D. Plotkin To Be Director. ***April 14, 1977***

The President today announced that he will nominate Manuel D. Plotkin, of Chicago, Ill., to be Director of the Census. Plotkin is associate director of corporate planning and research for Sears, Roebuck and Co., in Chicago.

Plotkin was born on May 16, 1923, in Chita, Russia. He received a B.S. degree from Northwestern University School of Business in 1948 and an M.B.A. from the University of Chicago Graduate School of Business in 1949.

Plotkin has been with Sears, Roebuck since 1953, serving as senior economist from 1953 to 1961, manager of the market research division from 1961 to 1966, manager of economic and market research and chief economist from 1966 to 1973, and associate director of corporate planning and research since 1973.

He was also an instructor in business economics and statistics at Indiana University and Wilson Junior College from 1953 to 1955, and in quantitative methods and managerial economics at Northwestern University School of Business from 1955 to 1963.

Plotkin is a member of the American Marketing Association, serving as president of the Chicago chapter in 1968-69, national director in 1969-70, and chairman of the Advisory Committee to the U.S. Census Bureau in 1974-75.

He is also a member of the American Statistical Association, a member of the Marketing Research Advisory Council of the Conference Board and chairman of

the Council for 1977–78, and a trustee of the Marketing Science Institute.

National Labor Relations Board

Designation of John H. Fanning as Chairman. April 14, 1977

The President today announced the designation of John H. Fanning, of Pawtucket, R.I., as Chairman of the National Labor Relations Board. Fanning is currently a member of the Board.

He was born on September 19, 1916, in Putnam, Conn. He received his A.B. (1938) and Ph. D. (1969) from Providence College and his LL.B. (1941) from Catholic University of America School of Law.

Fanning was an attorney in the Labor Department from 1942 to 1943. From 1943 to 1945, he served as Chief of the Domestic Labor Standards Section of the Industrial Personnel Division of the Army Service Forces. He was Chief of the Industrial Relations Branch of the Office of the Judge Advocate General of the Army from 1945 to 1948.

From 1948 to 1951, Fanning served as special assistant to the Judge Advocate General of the Army for procurement matters. He served as Director of the Office of Industrial Relations, Department of Defense, from 1951 to 1955, and as Director of the Office of Domestic Programs, Department of Defense, from 1955 until 1957, when he was appointed to the NLRB by President Eisenhower.

Department of Commerce

Nomination of Fabian Chavez, Jr., To Be an Assistant Secretary. April 14, 1977

The President today announced that he will nominate Fabian Chavez, Jr., of

Santa Fe, N. Mex., to be Assistant Secretary of Commerce for Tourism. Chavez is director of the New Mexico Department of Development.

He was born August 31, 1924, in Santa Fe, N. Mex. He attended the College of Santa Fe and the University of New Mexico between 1947 and 1952. He served in the United States Army during World War II.

Chavez was a member of the New Mexico House of Representatives in 1951–52. He was a New Mexico State senator from 1957 to 1964, serving as majority leader from 1961 to 1964 and as chairman of the Judicial System Study Committee from 1959 to 1964.

Between 1956 and 1969, Chavez also worked for several investment securities companies. From 1969 to 1971, he was manager of Santa Fe Cable Television. He served as director of the tourist division of the New Mexico Department of Development from 1971 until 1975, when he became director of the department.

Chavez is a member of the Santa Fe County Democratic Central Committee and a former member of the New Mexico Democratic Central Committee. He has been a member of the National Association of State Development Executives and the Discover America Travel Organization.

Economic Stimulus Package

Remarks and a Question-and-Answer Session on the Tax Rebate and Business Tax Credit Proposals. April 14, 1977

THE PRESIDENT. I have an announcement to make this afternoon and then I'd like to answer a few questions, and then turn the program over to my economic advisers.

The recent improvements in all the economic indicators, the recent reduction in unemployment, the recent increase in the inflationary indicators, and the prospective impact of the new energy proposals—all have convinced me, the leaders of Congress, our economic advisers, that we do not need to proceed in the Congress with the \$50 tax rebate, nor with the optional business tax credits.

Back in December, when I and the Members of the Congress met in Plains and put together the package of economic stimulus, the increase in the gross national product was down about 3.2 percent, the unemployment rate was about 8 percent or a little bit more, the economy was dormant, to say the least, and the inflationary pressures were not as great as they are now.

At that time, Senator Byrd, Speaker O'Neill, and their fellow workers in the Congress, and I all agreed on the total economic package. That's changed. Our hope then was that we would have two basic thrusts. One was toward a simplification of the income tax structure with an increased standard deduction. That will proceed. Another one was to put people to work with public works projects, public service jobs, training programs, and countercyclical aid to local governments. That will also proceed.

The other effort was to stimulate quickly, hopefully at that time in April, consumer confidence and consumer spending with a tax rebate. It's now too late to do that as early as we had anticipated. And the consumer confidence has returned; consumer spending is up. As a matter of fact, with the exception of longer trends in the stock market prices, every single indicator of the economy is up in recent weeks.

I might add one other thing: The remaining elements of the economic stimulus package will, I think, guarantee us

durable growth. Not only do the economic indicators look good now but our Council of Economic Advisers believes that this will continue right on up through June. The last half of this year, of course, we'll start feeling the impact of the training programs, jobs programs, and public works projects.

Later this week, Friday, I will make a comprehensive statement on inflation and how we might reduce inflationary pressures in the future. I'm determined to hold down the deficit that will exist in our Federal Government this year, in 1978 fiscal year, 1979–80, leading toward a balanced budget in 1981.

I will resist to the utmost of my own ability excessive spending by the Congress in fiscal year 1978. And although we will reduce net spending substantially with this change, I am going to oppose strongly—and the congressional leaders with whom I've consulted agree—any substitution of this money for spending projects that might be nonvital and which might initiate permanent programs or expenditures that can't be controlled in the future.

We don't know the exact figures yet. This change will reduce the deficit substantially in 1977 fiscal year, but we still have enormous deficit prospects in fiscal year 1978. As I prepare my first budget, fiscal year '79, that will be a major factor involved in my decisionmaking process.

I might add one thing in closing: The announcement that I've made this afternoon has been supported by the Democratic leadership in the Senate, and we've also got the same expressions of approval from the House. I think this was a mutual decision. I think that there had been a slow building-up of doubt about whether or not the economic stimulus this year was necessary. And it's a joint decision. And I think that, as you well know, Senator Long and Senator Byrd and

Senator Humphrey, Cranston, and others can speak for themselves.

I'd be glad to answer any questions that you might have.

TAX REBATE

REPORTER. Mr. President, were there political considerations involved in your decision as well, specifically the problems that you were running into in the Senate in trying to get the rebate passed?

THE PRESIDENT. Yes. There were political and economic decisions. The overwhelming thing, though, was economic. I think that the Senate leaders to whom I referred would agree with me that we could have passed the economic stimulus package in its entirety had we decided to go ahead with it. But there is no doubt that many of the leaders, who were enthusiastic along with me back in December when economic circumstances were quite different, had lost their enthusiasm for the rebate and the business tax stimulus in light of recent unanticipated improvements in the economy.

But obviously it's a political decision as well as an economic decision, and I think it's a proper one. But it was a mutual decision to go ahead with it back in December and to terminate it now.

Q. Just to follow on.

THE PRESIDENT. Please.

Q. There are those who read this as being a political defeat for you in that you did propose the rebate, you're having trouble getting it passed, so you pulled it back.

THE PRESIDENT. Well, I've been accused of a lot of things. I don't believe anybody has ever accused me of being afraid of a political fight or of being too quick to compromise. The decision was made by me. I think among my own White House advisers, they would all confirm that I was the first one who felt that it was a mistake

to go ahead with it. We have been working on the analysis for a number of weeks. Many of these data have been made public.

I did not back off because I feared a political defeat. The bill will be kept alive in the Senate Finance Committee; it's already passed the House with an overwhelming majority. And if the economic stimulus appears to be necessary because of changing circumstances in the next few months, then my own effort would be to go ahead and have the bill passed. But I don't believe we need it. If I could unilaterally decide to initiate these two stimuli, the \$50 rebate and the business tax credits, I would not do it.

THE NATION'S ECONOMY

Q. What changed in the economic picture since you came out here last Thursday and told us that it was necessary?

THE PRESIDENT. Well, one is the present rate of inflation. Over the last 3 months now we've had an average, on an annual basis, of more than 10 percent inflation—the last month alone I think 14 percent.

The biggest overall pleasant surprise to us has been in retail sales. We did have a substantial surge in retail sales in February, compared to January. We discounted that improvement because we thought it was just a recovery from the very severe winter. But in March, in an unanticipated way, retail sales showed continued consumer confidence. I think that was a single major factor involved.

Let me get her. Then I will get you.

TAX REBATE

Q. Mr. President, about 2 days ago Secretary Marshall said that we were focusing too much on business confidence and not enough on consumer confidence, and that if the \$50 rebate were killed, and

there would be nothing in it for the working people, as he put it, the backbone of the United States. What are you going to say to all of those people in anticipation of the rebate who have already, in essence, spent it?

THE PRESIDENT. Well, I think it's accurate to say—I can't speak for all the people in the country; I don't profess to do that. We consulted with the labor leaders on this change in our policy. I think it's accurate to say, for instance, that Mr. Meany thought it was a very good move that we terminate the \$50 rebate package. We still have intact more than a \$20 billion economic stimulus package with most of the emphasis on direct job opportunities in public service jobs, public works projects, CETA and other training programs, and in the anticyclical allotment of funds to local governments to help themselves.

The only exception to the direct job opportunities in the remaining stimulus package, which was quite large, is the simplification of the tax structure with the standard deduction. I intend to go ahead with that. But the overwhelming part of more than a \$20 billion stimulus package is directly oriented to jobs.

ECONOMIC DECISIONS

Q. Mr. President, what concern do you have that this is the start, perhaps, of a week of several pieces of bitter medicine you're going to have to give us—today, and then tomorrow, on anti-inflation measures and then a week later on conserving energy? It's going to be kind of a grim week.

THE PRESIDENT. Well, I can't deny that description. It's not an easy thing to do. I think that as the President I have to face facts as they are. My own experience in politics is that if people believe that they are making a sacrifice, but if it's equitable

and fair and necessary, there is very little political consequence to be derived for the one who makes the announcement.

With the anti-inflation package there will be constraints on people. There will be special interests, some quite benevolent in nature, who will be disappointed. And with the energy messages that I'll deliver next week there will be another presentation that's quite severe.

But I think that in general I can live through the next week, and I believe that when the period is over, I hope and I do believe that the American people will think it's not only fair and equitable but also necessary. So, I don't think the political consequences are as severe as you might have thought.

TAX REBATE

Q. Mr. President, Treasury Secretary Blumenthal said only yesterday afternoon that this rebate was still needed because unemployment was over 7 million and industrial capacity was only operating at 80 percent. What happened to change from then until last night when you turned around on this?

THE PRESIDENT. I'll let him speak for himself in just a moment. But let me point this out: In the last 2 months, we've had an increase in jobs in the country of almost a million. The unemployment rate, when we made this decision, was about 8 percent—I think 8.05, 8.1. It's now dropped down to 7.3. This is still much too high. And it's just a matter of judgment; there is not any sure thing about what's going to happen in the future.

If the present economic indicators continue to improve and if the present inflationary pressures continue to rise, I don't think there is any doubt in my mind that this is the right decision to make. Obviously, we can't anticipate with any degree of certainty what's going to happen in

the future. But I'll let Mr. Blumenthal speak for himself on the question you raised.

Q. Do you still think our unemployment rate can go down below 7 percent without this stimulus?

THE PRESIDENT. I believe that it can indeed go down below 7 percent without the stimulus, yes.

Q. This year?

THE PRESIDENT. The stimulus that we're talking about, the \$50 tax rebate, was not designed specifically for job opportunities. It was designed to improve consumer confidence and to stimulate the economy over the long run. We just have found that we don't need it. When we thought back in December that we could get the \$50 checks in the mail in April—and that was our hope and expectation—there was a real apparent need for it. Now, even if there was a need, apparently May or June is the earliest that we could possibly get the checks in the mail if everybody was for it. We don't think there is a need any more. So, the circumstances have simply changed.

Q. Mr. President, many Americans were looking forward to the tax rebate. Where exactly will the \$10 billion go? Can you explain definitively?

THE PRESIDENT. My commitment and my hope is that the amount of money that was going to be spent on the tax rebate will be used to reduce the 1977 deficit.

I'll take one more question.

Q. Mr. President, now that you won't have this probably bruising battle over getting the rebate passed by the Senate, do you expect you will fare better in the upcoming battle over the energy package?

THE PRESIDENT. I'm sure there are going to be plenty of bruising battles to go around.

Q. Was this a factor in your decision?

THE PRESIDENT. No, it wasn't a factor, as far as a bruising battle was concerned.

It was a factor in that very dedicated and, I think, self-described liberal Senators like Senator Humphrey told me last night that when he got down to Florida a couple of days ago that this preyed on his mind, and he felt that it was very, very wrong. He had already decided, he said, to come back up here early Sunday to get Senator Long and to get Majority Leader Byrd and come to me and ask me to withdraw the tax rebate, not because we couldn't get the votes but simply because it's not needed.

There is no way to separate economics from politics, of course, because politicians quite often make the economic decisions and analyze the economic data. But the essence of it is that I think we could have forced it through the Senate with perhaps a brutal battle, as you described. Everybody that I've talked to agrees with that. I just don't think it's necessary, and it's a joint decision between me and the Congress.

Let me close by turning over the program to Mike Blumenthal, the Secretary of the Treasury, to Charlie Schultze, the Chairman of my Economics Advisers, and to Bert Lance, who is Director of the Office of Management and Budget.

Thank you very much.

NOTE: The President spoke at 2:25 p.m. to reporters assembled in the Briefing Room at the White House.

Anti-Inflation Program

Statement Outlining Administration Actions. April 15, 1977

I. SUMMARY

Today, I am announcing a series of measures aimed at controlling and reducing inflation. This program embraces the following elements:

- Fiscal discipline to assure a balanced budget by FY 1981 as the economy returns to normal.

- An agreement with leaders of business and labor to establish a framework for consultation with government for reaching our objectives for job creation, inflation control, and other economic priorities.

- Efforts by the Council on Wage and Price Stability to analyze and provide information on inflationary conditions in individual markets and industries.

- An early warning system through the Council on Wage and Price Stability to forecast and prevent shortages and bottlenecks.

- Effective incentives for business to increase investment in new productive capacity as part of comprehensive tax reform.

- A new program to restrain increases in hospital costs.

- Employment policies that stress job skills training, improved job placement services, and improved services to match job openings with available workers.

- Encouragement of increased productivity in business and agriculture.

- Initiatives to moderate the sharp fluctuations in the supply of commodities, which have triggered inflation in recent years, through the following:

- Farmer-held food reserves to help stabilize consumer prices and farmers' incomes;

- Negotiations to reduce fluctuations in the world price of sugar and grains, and an open-minded look at price agreements for other commodities;

- Working with Congress to assure that raw materials from the Nation's strategic stockpiles are made available in the event of supply disruptions during peacetime.

- Regular monthly meetings between the Chairman of the Federal Reserve, my-

self, and my chief economic advisers in an effort to achieve better coordination of monetary and fiscal policies.

- Full consideration of the economic cost of major Government regulations, through a more effective analysis of their economic impact.

- Greater emphasis on achieving compliance with regulations through incentive and performance standards rather than detailed specification of means, and efforts to improve effectiveness and reduce red-tape and delay.

- Reform of rate-setting regulation to encourage increased competition within regulated industries, including a major effort to deregulate the airline industry and other industries in which regulation unnecessarily stifles competition.

- Cooperation with other nations to reduce worldwide inflationary trends, including support of the International Monetary Fund.

- Using international trade policies to help assure competitive prices to consumers, while taking into account the legitimate needs of particular American industries and workers.

- Development of procedures to eliminate costly and unnecessary delays in construction permit issuance by Government agencies.

- Strict enforcement of the antitrust laws, including a crackdown on price fixing and monopolistic practices.

- Reorganization of the Federal Government to streamline the operations of the Government, improve its efficiency, and make it a more effective instrument to achieve our national objectives within budgetary constraints.

- More efficient Federal procurement policies, including increased competitive bidding and a stronger and more vigilant Renegotiation Board.

Over the past year, the rate of inflation has averaged 6 percent. Reducing that

inflation is going to require a united national effort. The Federal Government will take the lead. I have already made budget decisions to reduce the Federal deficit and restrain the costs of popular programs, and have rejected excessive tariffs and quotas on imports of shoes and mushrooms. These decisions were difficult, but necessary to the overall goal of reducing inflation.

No one should look to government for easy answers, because there are none. And government cannot do the job alone. We face difficult choices ahead in energy and other areas of national importance. However, I believe that government, business, and labor *together* can, as an interim goal, reasonably aim at reducing the rate of inflation by two percentage points by the end of 1979, while still vigorously pursuing our commitment to full employment.

All segments of the American economy must cooperate if we are to get inflation under control. In the long run, that is the only path to more jobs, stable prices, and greater real income for all our people.

II. SOURCES OF TODAY'S INFLATION

Difficult inflationary problems began more than a decade ago as large budget deficits during the Vietnam war led to excess demand and an overheated economy. That war was financed, in part, through the hidden tax of inflation.

Excess demand became a problem again in late 1972 and 1973, when all the major industrial countries around the world experienced a simultaneous boom in economic activity.

We know, however, that economic overheating is not the only cause of rising prices. Since the end of 1973, the entire world economy has suffered from widespread unemployment and idle ca-

capacity, yet prices have continued to rise almost everywhere.

Some of the sources of inflation have been beyond our control, for example, the 1972 crop failures here and abroad. Those crop failures reduced supplies which, along with the grain deal with the Soviet Union, contributed to a 35-percent increase in U.S. consumer food prices during 1973 and 1974.

World petroleum prices have increased nearly fivefold since late 1973 because of the actions of the OPEC countries, resulting in a 50-percent rise in the price of fuel and electricity to American consumers.

Another part of our inflation problem arises from Government's changing role. Over the past decade and a half, the American people have grown less tolerant of environmental pollution, dangers to health and safety at work, and inadequate pensions and health care for the elderly. They have properly demanded that their Government take forceful steps to fight these ills. In certain cases, the resulting measures, though necessary, add to costs and prices. Requiring industries to add new pollution control equipment or safety devices raises costs. So do increases in payroll taxes which finance medical care and social security benefits.

We will not go back on our commitments to a better quality of life. But we must insure that our methods of achieving this objective involve no unnecessary costs.

Government also affects prices and costs in other ways. Restrictions on international trade may raise prices. The result of rate and price regulation in many industries is to cut down competition and put a floor under prices. Decisions on farm price supports, minimum wages, and medical insurance affect prices, too. Difficult choices face us in these and other cases.

On top of these causes is the persistent spiral of costs and prices that takes hold once people begin to expect continued inflation. Individuals and businesses try to raise their incomes to protect themselves against rising prices and costs. The end result of this process is more inflation. This cycle is not the fault of labor or of business or of any one group. But we must find ways to break out of it.

Our economy has been depressed since 1974. Despite inadequate demand—despite unemployment, unused plant capacity, increased poverty, inadequate growth rates—inflation persists. *High unemployment is a morally unacceptable and ineffective way of combating inflation, and I totally reject that approach.* Inflation must not be attacked by causing additional human misery.

III. DESCRIPTION OF ANTI-INFLATION PROGRAM

The anti-inflation program I outlined at the beginning of this message—and which I discuss in more detail below—is tailored to the nature of the problems we face.

It has three basic parts: Federal *economic and budgetary policies* that promote growth while avoiding overstimulation; *specific governmental actions* to fight inflation; and a *voluntary effort* by business, labor, and government to achieve our common objectives of providing jobs, promoting steady growth, and controlling inflation.

A. ECONOMIC AND BUDGETARY POLICIES

By any objective measure, the economy has ample room to expand without running into excess demand. Yet many people fear that current budgetary policies will lead to renewed inflationary pressures. I want to address those fears directly.

Inadequate tax revenues from a stagnant economy—not legitimate Federal spending programs—are the principal source of the deficits. We have large budget deficits today because recovery from the worst recession in 40 years is still incomplete. As the recovery proceeds, the deficits must shrink and eventually disappear. The combined total of private and public demands on the economy must not be allowed to exceed our productive capacity, or inflation will surely be rekindled. I have made a firm commitment to have a balanced budget in a normal economy by FY 1981, and I intend to do everything I can to honor that commitment.

Two steps are essential to balancing the budget. The first is a durable expansion in the private economy that will generate steady growth of jobs, incomes, and Federal tax revenues. My proposals for direct job creation and permanent tax reduction for low- and middle-income taxpayers will get us moving in that direction, and I again urge the Congress to enact them.

The second step is to discipline the growth of Federal spending in the years ahead. The budgets that I will submit will contain responsible expenditure ceilings, and I will work continuously within the executive branch and with the Congress to ensure that we stay within them.

The budgets that I approve will reflect zero-based review of all Federal programs. The Congress, in carrying out the procedures established in the Budget Reform Act, has shown its concern for responsible budget policies. I believe that we can work together to meet our country's needs yet stay within responsible fiscal limits.

I made Government reorganization and managerial efficiency a keystone of my campaign for the Presidency. I intend to use the new reorganizational authority granted to me by the Congress to stream-

line the operations of the Federal Government.

In order to insure closer economic consultation within the Government, we are initiating regular monthly meetings between myself, the Federal Reserve Board Chairman, and some of my economic advisers.

The course of fiscal policy I have outlined should permit the Federal Reserve to provide an expansion of money and credit consistent with moderate interest rates and a steady and noninflationary growth of employment and output.

B. SPECIFIC ACTIONS BY GOVERNMENT

Besides well-conceived monetary and fiscal policies, there are a number of specific steps the Government can take to reduce our vulnerability to new inflationary pressures and to slow the current rate of inflation. I am proposing actions in 11 areas:

(1) *Council on Wage and Price Stability.* Our anti-inflation strategy will emphasize efforts to identify specific inflation problems as they begin to occur and to develop effective countermeasures. To achieve this objective:

—The Council on Wage and Price Stability will expand its activities in the area of providing detailed and timely analysis of economic conditions in those industries and markets which are important to price stabilization. In many cases the information required for the Council's analysis is available from existing Government sources. In some instances the Council will ask individual business firms and labor groups to provide, on a confidential basis, data which would not otherwise be available.

—The Council will continue its previous practice of publishing factual information on wage, price, capacity, and other developments in particular sectors or industries. It will also continue to hold oc-

casional public hearings on major inflation developments, as a means of improving public understanding and providing the public with an opportunity to make its views known.

—The Council will provide to the relevant agencies analyses of the inflation implications of specific Government regulatory and legislative actions.

The statutory authority of the Council expires on September 30, 1977. I am asking the Congress to extend its life for 2 more years. I am also requesting a modest increase in appropriations for the Council so that it can fulfill its enlarged analytical role in the price stabilization effort.

(2) *Early Warning System.* I will instruct the Council on Wage and Price Stability to develop detailed industry studies to detect emerging bottlenecks, capacity shortages, and other problems that, if left unattended, would lead to significant price increases. The Council will pay special attention to the basic materials industries, to markets with potential future shortages, to markets of major economic importance, and to markets where Government policy can have significant effects on domestic supply.

(3) *Commodity Reserves.* When prices of raw materials and food fluctuate upward, the effects tend to spread throughout the economy, raising prices and wages generally. Downswings in raw material prices, however, do not have corresponding effects on prices and wages. Reducing fluctuations in commodity prices, therefore, helps to reduce inflation. To assure adequate commodity supplies, several actions will be taken:

—The Secretary of Agriculture has developed within existing legislation a program that provides for an orderly buildup of farmer-held reserves of food grains during periods of high production and low prices. Under specified conditions, those reserves will be made available as a means

of providing a more stable supply of farm commodities. This reserve will also help promote export sales of agricultural commodities by showing that we can meet supply commitments even when we have poor crop yields.

—My administration will enter into negotiations for international agreements for grains and sugar to reduce fluctuations in prices. We will also consider with an open mind other commodity agreements that concentrate on moderating price fluctuations.

—We will work with Congress to assure that raw materials from our strategic stockpiles are made available to meet supply disruptions during peacetime. To aid industry in evaluating future market conditions, these efforts should exclude the use of the strategic stockpile for purposes of general price stabilization.

(4) *Incentives for Increased Investment and Expanded Capacity.* The rate of expansion of productive capacity must be stepped up to head off possible shortages:

—Effective investment incentives will be a key element of this administration's comprehensive tax reform.

—I have asked the Secretary of Commerce to work with other Government agencies to investigate the general problem of delays in construction permit issuance by Government agencies and to recommend new procedures which will simplify and speed up the permit issuance process.

(5) *Government Rate Setting Regulations.* In the past, Federal regulations have often done more to protect regulated industries than to promote efficiency and cost reductions. There is much we can do to reverse this situation. The redirection or elimination of regulations that no longer serve national needs can lower prices for consumers.

This administration has already indicated its strong support for reform of airline regulations. We will be looking at the potential for increased competition in other regulated sectors of the economy.

An Agency for Consumer Advocacy, which I have urged the Congress to establish, can play a useful role by intervening in regulatory procedures on behalf of the consumers who ultimately pay the bills.

(6) *Other Regulation.* Actions can be taken to improve the environment and to protect consumers and workers against health and safety hazards without excessive costs or redtape.

—I have initiated efforts to eliminate unnecessary Government regulations and to simplify and promulgate regulations with less delay.

—A review procedure will be established to encourage regulators to give proper weight to the economic impact of the regulations they write.

—An interagency group now at work will suggest ways for regulatory agencies to emphasize incentives and performance standards, rather than detailed specifications of the means by which the goals should be achieved.

(7) *Employment and Manpower Programs.* We can reduce both unemployment and inflation by measures which improve job skills, increase the efficiency of the labor market, and target job opportunities to groups suffering from very high unemployment rates.

—The public works and employment programs contained in my economic stimulus proposals are targeted on groups and areas with high unemployment.

—We have proposed a major expansion of programs to provide job opportunities and skill training for youths.

—We will work through the schools and other community organizations to strengthen job placement and employ-

ment counseling services to people seeking to enter or reenter the labor force.

—We will intensify our efforts to eliminate job discrimination based on race, sex, or age.

—I have instructed the Secretary of Labor to develop improved job placement services and computerized job banks to help workers find and employers fill job vacancies.

(8) *International Trade Policy.* Cooperation with other industrialized governments is vital to the reduction of worldwide inflation.

This administration will balance the benefits to consumers of international trade with the need to moderate disruptive influences on American workers and firms. Trade can play an important role in the fight against inflation. It is an effective means of improving efficiency and maintaining competition within American industry. We get the benefits of lower prices and greater productivity when we expand our production in those industries where we have a competitive advantage compared to other countries, while trading for those goods which we find more costly to produce. Tariff and quota protections may sometimes result in foreign retaliation against our own products. They cause our export industries to lose sales and employment and consumers to pay higher prices.

We will emphasize the benefits of a freer trade system in international negotiations. In particular, the United States will push for a successful conclusion of the Tokyo round of trade negotiations.

At the same time, it is important that we develop better means to prevent import competition from severely disrupting individual domestic industries and to improve the efficiency and competitive position of affected industries.

(9) *Medical Care Costs.* The cost of hospital care is increasing at more than twice the overall rate of inflation. We shall announce specific details of a hard-hitting hospital cost containment program later this month.

(10) *Antitrust Laws.* Resolute enforcement of the antitrust laws helps insure that products will be available in the marketplace at competitive prices. The Justice Department will vigorously enforce the laws against those who fix their prices at artificial levels. The recent policy of intervening in regulatory agency actions will also continue in order to inject competition into regulated industries wherever that is feasible.

(11) *Federal Procurement Policies.* My administration will implement many of the recommendations of the National Commission on Procurement Policies for streamlining and simplifying Federal purchasing practices. We will also insist upon a strengthened Renegotiation Board which bears down hard on excessive profits in Government contracts.

I intend to play an active role in assuring that the measures I have outlined receive the highest priority in Government agencies. I am prepared to make the difficult choices that will inevitably arise in every one of these areas.

C. VOLUNTARY COOPERATION AMONG BUSINESS, LABOR, AND GOVERNMENT

The combination of prudent economic and fiscal actions that I have proposed will guard against the risk of a renewed upsurge in inflation and also insure that the Government itself is not a major force in sustaining inflation. But to be successful in reducing the current rate of inflation and moving towards price stability, the private sector must also play an important role.

In part, we have inflation today because we had it yesterday. Each group

in the economy tries to recoup prior increases in costs or prices, but in so doing helps keep inflation going. If everyone could exercise restraint, the momentum would slow down and we could move towards real price stability. But who can afford to show such restraint individually without assurances that others will do the same? Our difficulties occur precisely because there exists no process for mutual cooperation on a voluntary basis.

ESTABLISHING A FRAMEWORK FOR COOPERATION

Making progress in dealing with this problem has to be a long-term task. It requires continuous, persistent, and patient effort. A set of anti-inflation policies must be developed which will create jobs, stabilize prices, and promote general economic development with fairness and equity for all.

If this battle against inflation is to succeed, I am, above all, convinced that it requires a close collaboration between business, labor, and the Government. This collaborative effort should consist of working together to advise Government on its objectives for our economy, for job creation, and inflation reduction, to help work out approaches to achieve these objectives and to monitor the results on a continuing basis. Most importantly, this joint effort must be voluntary and cooperative and not be based on coercive or self-defeating controls.

I have discussed this problem with representatives of labor and business and have received their assurances of complete cooperation in the development of a joint anti-inflation effort.

Accordingly, I have asked the president of the AFL-CIO and the chairman of the General Electric Company to help to coordinate this new cooperation between labor, management, and the Government.

Within the Government, I have asked the Chairman of the Economic Policy Group, in collaboration with my other economic advisers, to work with these gentlemen and other representatives of business and labor in developing the more detailed arrangements for implementing this part of my anti-inflation program.

I expect this work to begin immediately. While the collaborative effort ought to be a permanent one, I hope that some concrete approaches for private sector cooperation in reducing inflation can be developed within the next several months. I shall personally be kept informed and meet with labor and business representatives from time to time as the need arises.

There are no magic solutions in the battle against inflation. It can be won only by hard, day-to-day, unglamorous, and often politically unpopular efforts, and by the voluntary cooperation and restraint of the American people. I pledge myself to the most vigilant effort. The American people deserve no less.

THE PRESIDENT'S NEWS CONFERENCE OF APRIL 15, 1977

INFLATION

THE PRESIDENT. Good morning, everybody. I have a brief opening statement, and then I'd be glad to answer questions.

More and more in the last few months, it's become obvious that inflationary pressures are building up. In the first 3 months of this year, the average Consumer Price Index increased to the annual rate in excess of 9 percent; the Wholesale Price Index increased during that period of time in excess of 10 percent, and we've seen a very encouraging increase in con-

sumer confidence, retail sales, and other economic indicators.

I've tried to address, ever since I've been in office, the very difficult and pernicious problem of inflation. We've not been willing to control inflation by deliberately dampening the economy nor holding down employment. We've left intact, even after withdrawing the recommendation for a \$50 tax rebate and the business tax credits, an economic stimulus package in excess of \$20 billion designed almost entirely to provide jobs for the American people.

This morning I distributed to the press and to the public a list of things that we will do as an anti-inflation effort. It's comprehensive and it's as complete as we can possibly devise. We will be probing throughout the coming months and years for additional ways to control inflation. Our goal is to reduce the inflation rate by 2 percent by the end of 1979, which is a very difficult task to undertake.

I've become convinced that the Government by itself can't do it. We can take the lead. We can hold down unnecessary expenditures, work toward a balanced budget by the end of this administration. We can coordinate the many elements within Government that have detailed information about specific inflationary pressures to try to nip them in the bud before they become apparent because of their severity. We can build up adequate agriculture reserves, deal with the widely fluctuating commodity prices, make sure that we have an international approach to worldwide inflation working with other industrialized countries, and make sure that Government policies, including unnecessary programs, the unnecessary regulations, enhance the competitive nature of the American economic system.

All these things will be done simultaneously. I think they directly address the roots of inflation and, at the same time,

permit us to have expansion in our economy and a simultaneous reduction in unemployment. This is a commitment that I have, and I'm very grateful that the business and labor leaders have agreed to cooperate on a continuing and routine basis to try to address the basic causes of inflation.

I will now schedule monthly meetings with the Chairman of the Federal Reserve Bank, Mr. Arthur Burns, and my own economic advisers to make sure that there is some maximum degree of coordination in addressing inflationary pressures.

I'd be glad to answer any questions that anyone might have.

Ms. Thomas [Helen Thomas, United Press International].

QUESTIONS

THE SOVIET UNION

Q. Mr. President, in view of the Soviet reaction and your own reassessment so far, do you see any reason to change your SALT proposals? Also, do you see any validity in meeting with Secretary Brezhnev from time to time, starting this year?

THE PRESIDENT. I think that the Soviet response has been predictable. I've been somewhat concerned lately that they've decided to go public as much as they have. But I have to say that there is a very important distinction that ought to be drawn between private and determined and continuing negotiations which are being pursued on the one hand, and the education of the public, the presentation of issues to people in our own country, which has always been the case since I've been in office. And it's very encouraging to know that now Mr. Brezhnev and his other leaders, through Pravda, are explaining the Soviet position to the people of Russia.

So, I see nothing wrong with the Soviet leadership giving their arguments and their excuses for not agreeing immediately

to our drastic cut proposals to the Soviet people, but I do feel encouraged about it.

As far as the—the other part of your question?

Q. I asked, did you see any reason to change your proposals and also, do you plan a summit meeting with Brezhnev, and will you be having them from time to time?

THE PRESIDENT. I see no reason to change our proposals. We had two, as you remember. One is to ratify the basic agreements of the Vladivostok discussions, and the other one is a much more drastic reduction in overall weapon capability. I see no reason to change those proposals.

I would welcome a chance to meet with General Secretary Brezhnev on a continuing basis, annually at least, and I hope that later on this year that he and I might meet in our own country. I think it's good, though, not to predicate each meeting with the belief that some dramatic conclusion might be reached or some dramatic agreement might be reached.

I hesitate and am reluctant to work under the pressure of having to come up with an agreement each time. I think it makes too much of an inclination for us to agree to things that might be counter-productive for our own Nation's benefit, just in order to have some publicity derived from the agreement itself.

ENERGY POLICY PROPOSALS

Q. Mr. President, can you offer any assurances that your energy program, coming in a few more days, won't, on balance, be inflationary?

THE PRESIDENT. No. The energy policy proposal which will be made next week will be inflationary in nature. There have been some news reports that it would contribute 2 or 3 percent to the rate of inflation. These reports are completely erroneous. We are going to try to come out with an energy policy package which will

minimize the effect of inflation which we've already felt so severely.

As you know, there has been a 500 or 600 percent increase in the price of oil since 1972. And the price of energy, as it becomes scarcer and scarcer, is going to go up.

We hope to be able, within the energy policy that I present, to hold down the impact on inflation to less than ½ percent by emphasizing wherever possible voluntary conservation. A termination of unnecessary waste of energy is anti-inflationary in itself. The inevitable increases in the price of energy as it becomes scarce are inflationary. So, we're going to try to balance those two to minimize the impact on the inflation rate of any energy policy, or absence of energy policy. But I think it's accurate to say that there will be some adverse impact in the future because of energy prices.

ECONOMIC STIMULUS PACKAGE

Q. Mr. President, your withdrawal of the \$50 tax rebate left a lot of Democrats in Congress who had supported the rebate even though they had reservations about it looking as, maybe, if they had a little political egg left on their faces. What do you offer them in the way of recompense; and, secondly, how would you feel if Congress should pass the Republican alternative, which is an across-the-board permanent tax cut now?

THE PRESIDENT. If the Congress should pass the Republican alternative, which is a permanent tax cut, I would veto it. I don't think the Congress is going to take that action, which would be irresponsible. It would mean that over a long period of time we would have an inability to have comprehensive tax reform, and it would be permanently inflationary in nature and is not necessary.

I think the recompense for the Democrats who have approved the economic

stimulus package when it was evolved in Plains last year and who passed it with, I think, approximately a 2-to-1 majority in the House and passed it through the Senate Finance Committee, the Senate Budget Committee—I think they can derive satisfaction out of knowing that we still have intact a stimulus package in excess of \$20 billion designed to do two things: One is to stimulate the economy through job opportunities—public works jobs, public service jobs, training programs, anticyclical allotments to local governments.

The other part of it is the first step toward comprehensive income tax reform which will greatly simplify the income tax laws and tax returns for next year by increasing the personal exemption. That package is still beneficial and, because of improving economic indicators and increasing inflationary pressures, is adequate.

Mr. Sperling [Godfrey Sperling, Jr., *Christian Science Monitor*].

ECONOMIC POLICY

Q. Mr. President, how would you distinguish your basic approach toward economic problems from that of the Ford administration? You are leaning, aren't you, in the conservative direction?

THE PRESIDENT. Well, I think there is a sharp distinction. I would like to answer the question without criticizing the previous administrations, Mr. Ford or Nixon. I think their basic approach to controlling inflation was to deliberately dampen the economy and to accept in the process, again deliberately in my opinion, a very high, permanent unemployment rate. We've tried to address this in a completely different fashion by deliberately stimulating the economy with the \$20 billion or \$23 billion package still intact and also addressing directly the unem-

ployment rate which has dropped now from about 8 percent, I think, in December, to about 7.3 percent and, at the same time, attacking the direct causes of inflation. I refuse to connect the two. I think that if you deliberately accept unemployment as a means to control inflation, that's wrong. And that's the basic distinction.

ILLEGAL ALIENS

Q. Mr. President, for many weeks now you had officials of your administration studying the problem of illegal aliens coming to this country from Mexico. Can you tell us when you will have a policy in place to deal with that and what its main features will be?

THE PRESIDENT. My guess is that I will have a message to present on the illegal or undocumented aliens probably within the next 2 weeks. I would rather get a specific date from the Attorney General and the Secretary of Labor who have led this task force, but my understanding from them is that within the next couple of weeks they'll be ready for this recommendation. I can't tell you the features of it yet, not having approved the recommendations that they present to me.

FOOD PRICES

Q. Mr. President, I would like to ask you about food prices. In your message, you referred to farmer-held food reserves to help stabilize consumer prices. To the housewives who are the shoppers of America, what encouragement can you give them as to a target date, as best you can?

THE PRESIDENT. The food prices in 1976 actually decreased about 1 percent, as you remember. Food prices in the first 3 months of this year have increased at an annual rate of about 19 percent; 19.3 percent, I believe. This is a matter that

must be addressed in a comprehensive farm bill.

My own recommendations on basic farm price supports are much lower than many farmers desire. They are predicated on a commitment to make American food products competitive on an international market scale with similar products from other countries.

We've also tried to give in a new farm bill a proposal, which I think is adequate, to maintain farmers' income at a break-even point on individual crops. I've never wanted to guarantee farmers a profit. We've tried to assess the cost of production, and that's a recommendation.

The building up of adequate reserves of basic food supplies—wheat, soybeans, and so forth—to be held primarily by farmers themselves, is the best approach, I think, to the question. Almost chronically we have a shortage of soybeans. The American soybean production comprises about 85 percent of all soybeans traded in international circles. And of course, we have a dominant portion of the wheat traded on a worldwide basis coming from our country.

So, with adequate production, adequate storage when you have excessive production, and orderly marketing primarily controlled by farmers, I believe that we can remove the wild fluctuations that have been characteristic of farm prices in the past.

As you know, we had sugar almost a dollar a pound just a few months ago. Now it's down less than the cost of production, about 12 cents a pound. And I will try to pursue an international marketing agreement on sugar.

So, in many different ways, varying from one crop to another, we are trying to hold down the wild fluctuations in food prices. Almost invariably the prices go up after the farmers sell their crop; the consumers pay. When the prices go down to

the farmer, they do not go down quite often in the marketplace. So, stability is good for the farmers and consumers.

ENERGY PROGRAM

Q. Mr. President, there appear to be some different philosophies on two problems. In the field of energy, it's pretty clear your program is going to have mandatory incentives to force Americans to save fuel. Yet in this inflation program it is pretty clear that you leave it up to voluntarism on holding down wages and prices. Now, why do you think Americans need to be forced to save energy but will voluntarily shown restraint in the field of wage and price increases?

THE PRESIDENT. Because I'm still working on my energy policy and will spend the whole weekend in this pursuit and will make a major statement next week on energy policy, I don't want to get into details. But I believe that a predictable energy policy with tight constraints on waste of increasingly scarce energy sources is by far the least inflationary approach to the question.

With a lack of planning, a lack of comprehension of the problem, and a lack of effort to conserve scarce energy products, you are going to have a wildly escalating inflationary impact which we've experienced in the last 4 or 5 years.

So, I don't think the two questions are incompatible at all. When you have excessive regulation of an industry—say airlines—it's obviously inflationary. In almost every instance I believe the free competition in our enterprise system is superior. There comes a time when commodities like energy are extremely scarce, when there has to be perpetuated some Government controls. But in the energy package we will try to minimize those regulations and controls. But at the same time, I believe that our policy will be less inflation-

ary than the absence of a policy, which we've experienced in the last number of years.

Mr. Donaldson [Sam Donaldson, ABC News].

Q. Perhaps I didn't make myself clear. I'm really asking whether you believe that Americans will voluntarily hold down their wages and prices, corporations and businesses. You seem to have nothing in your program that would make it mandatory for them to hold it down or even to jawbone them to hold it down. I was comparing that to what would appear to be a mandatory approach on energy.

THE PRESIDENT. My belief is that we will make a major stride forward in inducing business and labor voluntarily to work with us in Government in holding down the inflationary pressures. When there is an unpredictable Government policy or when there is a chronic inflation rate—6, 6½ percent which we presently experience—when prices or wage increases are considered, there is always an inclination to go beyond the predictable inflationary pressure.

I believe the best approach to it is on a voluntary basis. But in the case of energy, in many instances mandatory Government regulations are necessary. I think there is a good and legitimate reason to distinguish between the two.

Ms. Berger [Marilyn Berger, NBC News].

SALT TALKS; MEETINGS WITH FOREIGN LEADERS

Q. Mr. President, another question on strategic arms limitations. At least on the public record, which is growing daily, there seems to be a total impasse between the United States and the Soviet Union on the solution to the problem.

Now, do you believe that a meeting between you and Mr. Brezhnev could help

overcome that impasse. And more generally, you've been meeting with a lot of leaders. Do you feel that in meeting with foreign leaders you can help change their perception of what is actually in their national interests?

THE PRESIDENT. I wouldn't ever expect to change a foreign leader's opinion if he thought it was contrary to his own national interests, no. I have found, though, in my meetings with a number of foreign leaders, already, to be very helpful to me in understanding their particular perspective in trying to find some common ground on which agreements can be reached.

The Middle East is one of the more notable examples of this. And by the end of May, I intend to have met with all the foreign leaders who will be involved in the Middle Eastern settlement, which we hope to see make progress this year.

I don't consider the SALT talks at this point to have reached an impasse. There are continual discussions going on through normal diplomatic channels. I think that when we reconvene the Secretary-of-State-level discussions in Geneva in just a few weeks, we will have made some basic progress. The 8 or 10 discussion groups that were agreed to jointly by Mr. Brezhnev and Mr. Vance will be put into effect within the next 2 or 3 weeks, and a wide range of discussion of strategic arms limitations, the comprehensive test ban, commitment not to destroy one another's satellite observation posts, demilitarization of the Indian Ocean, and so forth, are going to proceed, I hope, with a moderate degree of hope for success. No one can guarantee success, but I'll be doing the best I can, and I'm sure Mr. Brezhnev will also, to find that common ground that will leave our national interest and the Soviet's national interest intact.

MILK PRICE SUPPORTS

Q. Mr. President, you say your anti-inflation program will require hard choices by you. How do you reconcile that with your recent approval of higher milk subsidies that will raise the price of milk by an estimated 6 cents a gallon and also raise the price of other dairy products?

THE PRESIDENT. Milk is a special case. Within the last few months the market price of milk has dropped 9 percent. Feed for dairy cows has more than doubled. And the profit margin of dairy farmers was precariously imbalanced even before these changes took place. Other farm price supports, as you know, have been held down, by my administration's recommendations, lower than milk.

I might point out also that the approximately 9-percent increase in the price of milk was much lower than dairy interests requested and demanded. But there was an extraordinary circumstance surrounding milk which caused the Secretary of Agriculture to make that decision, which I think was proper.

THE ENERGY CRISIS

Q. Mr. President, the latest public opinion poll suggests that a majority of the people still don't think there is an energy crisis. What do you think it's going to take to jar their consciousness, and are you planning a massive public information program beyond the two speeches you'll be giving next week?

THE PRESIDENT. I'm going to do all I can in addition to the two speeches next week to convince the American people of the truth. The CIA has just completed this week a long and detailed analysis of international oil supplies, natural gas supplies. Their findings are quite disturbing. Reserve estimates that had been used as a basis for decisions in the past were found

to be quite excessive. Reserves are not as great as we thought they were.

If I can simply convince the American people of the truth, using whatever means that I have at my command, that is the commitment that I have. And I believe that when they see the truth, they'll cooperate in trying to cut down the waste of energy.

UNEMPLOYMENT; TAX REBATE

Q. Mr. President, on the tax rebate, last week you sent a letter to the Senate in which you said the rebate itself would produce 250,000 jobs. Even with the remaining elements of your stimulus package and even with the upturn in the economy, won't your decision yesterday cost most of those jobs, and does it in any sense represent a trimming back of your ultimate goal on unemployment?

THE PRESIDENT. No, I don't believe so. At the time we decided on the \$50 tax rebate, I and the congressional leaders, of course, jointly—we were experiencing about an 8-percent unemployment rate. That's now dropped down to 7.3 percent, which is much too high.

At the same time, we had a very sluggish or dormant economy growing at an annual rate of only 3.2 percent. That's now almost doubled its rate of growth.

My own economic advisers, who will be answering questions from the news media in about 15 minutes after I go off of this podium, have estimated that for the next 3 or 4 months these favorable economic indicators on growth will continue.

Another very important factor is that back in December we thought that we might get the economic stimulus apart from the \$50 rebate in the mail to Americans in April. And we depended on the public works jobs programs and so forth to come along later this year to maintain the stimulus impetus. Obviously, now it's

not possible to get those checks in the mail, even if everybody was unanimously in favor of it, until June or July.

So, because of those factors we changed our plans. But I believe that we will have now an adequate stimulus package for job improvements, and the increase in consumer confidence and consumer purchases that we hope to bring about with the \$50 tax rebate has simply already occurred. And it is not necessary any more.

Q. Mr. President, yesterday when you dropped the \$50 tax rebate, you suggested that one of the reasons was increased inflationary pressure over last November or December when it was first proposed. I'd like to ask now, if the Senate had acted quickly, and as quickly as the House did, and passed the \$50 rebates, would we now be in the clutches of runaway inflation?

THE PRESIDENT. I don't think and have never thought that the \$50 tax rebate would have any significant impact on inflation. I deliberately did not tie the \$50 tax rebate withdrawal to the anti-inflation proposals that I made today. I don't think it would have. We still have about, I'd say, a 15- to 20-percent unused capacity in our industrial production. And, of course, the unemployment rate is still above 7 percent, which is very severe. But under those circumstances, I simply don't think that you can say that a reason for withdrawing the \$50 tax rebate was to hold down inflation. The reason was that it is simply not needed.

HARKIN AMENDMENT

Q. Mr. President, the House, as you know, just recently passed the Harkin amendment to the International Lending Institutions Act of 1977—

THE PRESIDENT. Yes, I know.

Q. —which stipulates that the United States representative must vote no to countries who violate—loans to

countries who violate human rights. Did the administration actively support—or why didn't the administration actively support this amendment?

THE PRESIDENT. I think the Harkin amendment is a mistake. The Reuss amendment and the Senator Humphrey amendment, which are the same, provide me with an adequate authority to deal with the question of human rights as it relates to international and regional lending institutions. To have a frozen mandatory prohibition against our Nation voting for any loan simply removes my ability to bargain with a foreign leader whom we think might be willing to ease off on the deprivation of human rights. But when the requirement is frozen into law, there is simply no reason for a foreign leader to try to comply.

I think we need to have the flexibility that we proposed. My heart is with the Harkin amendment because I want to do everything I can to assure a maximum amount of human rights commitment around the world. But I think that to give us the authority within the lending institutions to use our best judgment and to negotiate for an easing off of human rights restraints before a loan is made is the best approach to it.

Thank you very much.

BUSINESS INVESTMENT PLANS

Q. Mr. President, the Nation's businessmen remain reluctant to invest partly, they say, because of its uncertainty, and now you've added the uncertainty of what Government policy is by an abrupt change on the rebate and removed the business tax incentive. What can be done to get businessmen to go ahead and expand their production, which would create more jobs?

THE PRESIDENT. Well, another economic indicator that I did not mention

earlier is the business investment plan, which is up 11 percent above last year. I think it's accurate to say that early this week, when I was deciding on the \$50 tax rebate, that every economic indicator was favorable except the stock market prices, and I think that's improving this week.

So, this means that the business investment plans, in my opinion, will not be adversely affected by the withdrawal of the \$50 tax rebate proposal.

TAX REBATE PROPOSAL

Q. Mr. President, what do you say to the family of four that had counted on, indeed may have already borrowed against, the \$200 rebate that you had promised them?

THE PRESIDENT. Well, that's a hard question to answer, and it's obviously the most difficult part of the decision about withdrawing the \$50 tax rebate. I think, though, that the resurgence of the economy, which had already been brought about by improved attitudes and increased spending, just had to be balanced against the direct benefit to a family of the \$50 tax rebate.

We will leave intact the increased personal exemption, which will help people on their income tax returns. And had we been able to get immediate action on the \$50 rebate and let it be in the mail, say, this month, in April, which we first thought, I would have gone ahead with it. It was a close call primarily because of that factor, but you just have to make a judgment, and I believe my judgment was proper.

WATER RESOURCE PROJECTS

Q. Mr. President, could you tell us why you feel determined to cut back several of the waterway projects which you say are undesirable. In particular, could you tell us why you would like to stop the

Tennessee Tombigbee Waterway, which is the favorite of some of your friends in the deep South?

THE PRESIDENT. I finished my work on the waterway projects today, and my staff is now preparing an analysis to present to the public on my decisions, the reasons for my decisions. This weekend we'll be notifying the affected Governors and Members of Congress, other leaders, about the decisions, and I would guess quite early next week, perhaps Monday, we'll make a list of my decisions public.

We've tried to do this in a very careful and methodical way. Combined with it, we will publish and adhere to a very strict list of criteria in the future for approval of projects.

We had many factors involved, but I think you'll be well pleased when we make our list public after the weekend is over.

WHITE HOUSE STAFF

Q. Mr. President, in your fireside chat you said you would reduce the size of the White House staff by nearly one-third, but several days ago one of your aides said actually the size of the White House staff has grown and he said it would be impossible to reach this goal of a reduction of about 30 percent. What goal have you set now for reducing the staff, and what's your deadline for meeting it?

THE PRESIDENT. The reason for the apparent increase, or the actual increase in the size of the White House staff right now is primarily—it's temporary. We've been getting—last week I think I got 87,000 letters. The normal number of letters that Mr. Ford got was about 15,000 to 20,000 letters a week.

And it just takes more people to come in, I believe on a temporary basis, to manage this enormous influx of mail. We can't leave those letters unanswered.

At one time, after about a month when I was in office, I had 315,000 letters that hadn't been opened or answered. We are current now. We're only running 3 or 4 days behind.

It's taken extra people to do it. We've gotten an equivalent increase in the number of telephone calls. We get 20,000 or 30,000 telephone calls per day. It really puts a tremendous pressure on us to deal with this unpredictable interest in our administration by people around the country.

I don't want to discourage people from staying in touch with me, but it has taken a lot of struggle to do that. I think in our regular staffing, when we—in this surge which will be within the next 3 or 4 weeks—we will make public the staffing levels, and we will still have the same goals in mind.

FRANK CORMIER [Associated Press]. Thank you, Mr. President.

THE PRESIDENT. Thank you very much.

NOTE: President Carter's fifth news conference began at 10 a.m. in Room 450 of the Old Executive Office Building. It was broadcast live on radio and television.

The Cyprus Conflict

Message to the Congress Reporting on Progress Made Toward a Negotiated Settlement. April 15, 1977

To the Congress of the United States:

As required by Public Law 94-104, this report describes progress which has been achieved during the last sixty days toward settlement of the Cyprus problem and the efforts the Administration has made to contribute to its resolution.

In my first report, dated February 11, I emphasized the high priority we place

on this effort and reaffirmed our intention to work closely with the Congress in deciding on our future course. I promised that my Special Representative, Mr. Clark Clifford, would consult with you both before and after his trip to the area. He has done so. Before his departure, Mr. Clifford discussed the Cyprus question, and other pertinent matters, with a number of interested Senators and Congressmen. Leaving Washington February 15, he spent some two weeks visiting the eastern Mediterranean area to confer with leaders in Ankara, Athens and Nicosia. He also met with United Nations Secretary General Kurt Waldheim, under whose leadership the Cyprus intercommunal negotiations were subsequently reconvened. Returning from this series of intensive conversations, Mr. Clifford stopped in London to share his impressions with leaders of the British Government which, as current incumbent of the European Community Presidency as well as former administrator of Cyprus, maintains a special interest in finding a just and speedy Cyprus solution.

Upon his return, Mr. Clifford reported to me that the leaders of Greece, Turkey and Cyprus correctly saw his mission as a signal of the deep interest this Administration takes in the problems of the eastern Mediterranean. He came away convinced of their clear understanding that the United States is firmly committed to the search for a fair and lasting Cyprus settlement as well as to the improvement of relations with our two important and valued NATO allies, Greece and Turkey, and to the creation of a more stable atmosphere in the eastern Mediterranean.

The tasks I gave Mr. Clifford were to make a first-hand assessment of current problems and attitudes in the three coun-

tries so that we might better judge what contribution the United States might make toward encouraging progress in the long-festering Cyprus dispute; to identify ways in which the United States could improve its bilateral relationships with Greece and Turkey; and to gain a better insight into the sources of the tensions that exist between these two NATO allies.

In his visits to Ankara and Athens, Mr. Clifford held detailed discussions on a range of bilateral issues, as well as the subject of Cyprus. These talks were useful in creating a better understanding of the problems which have complicated our relations with Greece and Turkey. I was pleased to hear from Mr. Clifford that the leaders in Ankara and Athens support a serious attempt to negotiate a fair settlement of the Cyprus problem in 1977.

On Cyprus, Mr. Clifford had lengthy meetings with Archbishop Makarios and with the Turkish Cypriot leader, Mr. Rauf Denktash. These talks were frank and forthright. Both leaders recognized that what would be needed to move the Vienna talks forward were specific discussions of the two central issues of the Cyprus problem: future territorial arrangements and the division of responsibility between the central and regional governments. Mr. Clifford found a new willingness to face the difficult decisions which both sides must now make if a settlement is to be reached.

One indication of that willingness is the negotiations between the Turkish and Greek Cypriot representatives which took place in Vienna from March 31 through April 7. These meetings—the first such intercommunal negotiations in more than a year—were chaired for the first several days by U.N. Secretary General Waldheim and following his scheduled depart-

ture on April 4, the concluding sessions were held under the chairmanship of the Secretary General's Special Representative for Cyprus, Ambassador Perez de Cuellar.

We had not expected any dramatic breakthroughs at these meetings; and none occurred. The two sides are still far apart in their views. But the meetings did move forward the process of probing and clarification of each side's position by the other. Most important, in my view, is the fact that for the first time since 1974 concrete, detailed proposals were put forward by each side covering the two central issues. And finally the momentum achieved in these meetings has been preserved by the agreement of both sides to meet again in Nicosia about the middle of May to prepare for another round in Vienna and thus continue the process toward a peaceful Cyprus solution.

In my first report I promised that the United States will do all that it can to help achieve a negotiated settlement for Cyprus. I believe that the United States should continue to take a part in supporting the negotiating process revitalized by Secretary General Waldheim last month in Vienna. I believe that it is essential that we continue to work with the parties to encourage and insure a sustained and serious negotiating process and equally important that we work with our Greek and Turkish allies to strengthen the ties of friendship and cooperation between our countries. Working in close liaison with the Congress, we will devote whatever efforts may be required to bring about a truly just and lasting peace in the eastern Mediterranean.

JIMMY CARTER

The White House,
April 15, 1977.

Apr. 15

Administration of Jimmy Carter, 1977

National Maritime Day, 1977

Proclamation 4502. April 15, 1977

*By the President of the United States
of America*

A Proclamation

For more than two centuries, the United States has relied on the Merchant Marine for trade and defense. The Merchant Marine has contributed to our economic growth and military strength.

The men and women of our Merchant Marine have worked hard to export our products to foreign markets, and import foreign goods for our use and pleasure.

Those who serve in the Merchant Marine have the spirit, the character, and devotion to duty that have made our nation strong, free, and prosperous.

In recognition of the importance of the American Merchant Marine, the Congress, by joint resolution of May 20, 1933 (48 Stat. 73, 36 U.S.C. 145) designated May 22 of each year as National Maritime Day in commemoration of the departure from Savannah, Georgia, on that date in 1819 of the SS SAVANNAH on the first transatlantic voyage by any steamship, and requested the President to issue annually a proclamation calling for its appropriate observance.

Because May 22 falls on Sunday this year, and in keeping with custom, it is appropriate to observe National Maritime Day on the following Monday.

NOW, THEREFORE, I, JIMMY CARTER, President of the United States of America, do hereby urge the people of the United States to honor our American Merchant Marine on May 23, 1977, by displaying the flag of the United States at their homes and other suitable places, and I request that all ships sailing under the American flag dress ship on that day.

IN WITNESS WHEREOF, I have hereunto set my hand this fifteenth day of April in the year of our Lord nineteen hundred seventy-seven, and of the Independence of the United States of America the two hundred and first.

JIMMY CARTER

[Filed with the Office of the Federal Register,
4:55 p.m., April 15, 1977]

Digest of Other White House Announcements

The following listing includes the President's daily schedule and other items of general interest as announced by the White House Press Office during the period covered by this issue. Events and announcements printed elsewhere in the issue are not included.

April 9

The President today declared a major disaster for the State of Alabama as a result of severe storms, tornadoes, and flooding beginning about April 4, which caused extensive public and private property damage.

April 10

The President and Mrs. Carter returned to the White House following a weekend visit to Calhoun, Ga.

April 11

The President met at the White House with:

- Zbigniew Brzezinski, Assistant to the President for National Security Affairs;
- senior White House staff members;
- the Cabinet;
- Vice President Walter F. Mondale.

The White House announced that Carlos Andrés Pérez, President of the Re-

Administration of Jimmy Carter, 1977

public of Venezuela, has accepted President Carter's invitation for a state visit to Washington June 29-30.

The President and members of the First Family greeted visitors who were attending the annual Easter Egg Roll on the South Lawn at the White House.

April 12

The President met at the White House with:

- Dr. Brzezinski;
- Charles L. Schultze, Chairman of the Council of Economic Advisers;
- Vice President Mondale, Adm. Stansfield Turner, Director of Central Intelligence, and Dr. Brzezinski;
- Bert Lance, Director of the Office of Management and Budget;
- Robert S. McNamara, President of the International Bank for Reconstruction and Development (World Bank), and Secretary of the Treasury W. Michael Blumenthal;
- Soviet Ambassador A. F. Dobrynin.

The White House announced that King Hussein of Jordan has accepted President Carter's invitation to make an official working visit to Washington April 25-26.

The President announced that Judge William Gunter will serve as his special representative to assist all parties in resolving the Mashpee, Mass., Indian land claim dispute. Judge Gunter is presently serving in a similar capacity with respect to the land claim in Maine.

April 13

The President met at the White House with:

- actress Sally Struthers, honorary chairman of the Federal savings bond campaign;
- senior White House staff members;
- Dr. Brzezinski;

—Dr. Joseph E. Lowery, acting president and chairman of the board of the Southern Christian Leadership Conference, and other board members;

—Joseph M. A. H. Luns, Secretary General of the North Atlantic Treaty Organization;

—Robert E. Farrell, president, and Robert A. Alden, past president, National Press Club, who presented the President with a membership card for the club;

—Special Representative for Trade Negotiations Robert S. Strauss and representatives of textile trade unions.

April 14

The President met at the White House with:

- Dr. Brzezinski;
- members of the Education Commission of the States Task Force on Responsible Decisions about Alcohol, including Chairman John C. West, former Governor of South Carolina, who presented the President with the task force's final report;
- State, county, and local officials who were meeting with administration officials on energy policy;
- Secretary of Defense Harold Brown, Secretary of State Cyrus Vance, and Dr. Brzezinski.

April 15

The President met at the White House with:

- Dr. Brzezinski;
- Dr. Schultze;
- Vice President Mondale, Admiral Turner, and Dr. Brzezinski;
- Members of the New Jersey congressional delegation, to discuss military base closings;
- Secretary of Labor Ray Marshall;

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—Labor leaders who were meeting with administration officials on energy policy.

In a ceremony at the White House, the President presented the Pepperdine University Tyler Ecology Award to Dr. Eugene P. Odum, director of the Institute of Ecology at the University of Georgia.

The President today declared an emergency for the State of Arizona because of the impact of a drought.

The President has designated Ruth B. Love to be Vice Chairman of the President's Commission on Mental Health.

NOMINATIONS SUBMITTED TO THE SENATE

The following list does not include promotions of members of the Uniformed Services, nominations to the Service Academies, or nominations of Foreign Service officers.

Submitted April 12, 1977

MICHAEL D. HAWKINS, of Arizona, to be United States Attorney for the District of Arizona for the term of 4 years, vice William C. Smitherman, resigned.

LESTER A. FETTIG, of Virginia, to be Administrator for Federal Procurement Policy, vice Hugh E. Witt, resigned.

Submitted April 15, 1977

RONALD I. SPIERS, of Vermont, a Foreign Service Officer of the Class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Turkey.

FABIAN CHAVEZ, JR., of New Mexico, to be Assistant Secretary of Commerce for Tourism, vice Creighton Holden, resigned.

MANUEL D. PLOTKIN, of Illinois, to be Director of the Census, vice Vincent P. Barabba, resigned.

WAYNE L. HORVITZ, of the District of Columbia, to be Federal Mediation and Conciliation Director, vice James F. Searce, resigned.

CHECKLIST OF WHITE HOUSE PRESS RELEASES

The following releases of the Office of the White House Press Secretary, distributed during the period covered by this issue, are not included in the issue.

Released April 11, 1977

Biographical data: Michael D. Hawkins, the President's nominee to be United States Attorney for the District of Arizona

Released April 13, 1977

News conference: following his meeting with the President—by Joseph M. A. H. Luns, Secretary General of the North Atlantic Treaty Organization

Released April 14, 1977

Advance text: address before the Permanent Council of the Organization of American States

News conference: on the President's withdrawal of the tax rebate and business tax credit proposals from the economic stimulus package—by W. Michael Blumenthal, Secretary of the Treasury, Charles L. Schultze, Chairman, Council of Economic Advisers, and Bert Lance, Director, the Office of Management and Budget

Released April 15, 1977

News conference: on the President's anti-inflation program—by W. Michael Blumenthal, Secretary of the Treasury, and Charles L. Schultze, Chairman, Council of Economic Advisers

ACTS APPROVED BY THE PRESIDENT

Approved April 12, 1977

H.R. 4800----- Public Law 95-19
Emergency Unemployment Compensation
Extension Act of 1977.

Approved April 13, 1977

S. 1025----- Public Law 95-20
An act to amend the Securities Exchange Act of 1934 to increase the amount authorized to be appropriated for the Securities and Exchange Commission for fiscal year 1977.

PRESIDENTIAL DOCUMENTS

Week Ending Friday, April 22, 1977

Interview With the President

Question-and-Answer Session With a Group of Publishers, Editors, and Broadcasters. April 15, 1977

THE PRESIDENT. Well, it's nice to be here with you. We had a CIA briefing just before lunch and ran a little bit late.

I think it might be good to conserve our time as much as possible and let me answer your questions, but I would like to take just 3 or 4 minutes to outline some of the things that we are doing in this 1-week period, which I hope is not typical.

We've had to deal with a rapidly changing economic prospect and have modified, as you know, our stimulus package by withdrawing the business tax credit proposal and the \$50 rebate. I have been assessing 31 major water projects that had been previously approved by the Congress and my predecessors.

I am working on two major speeches to make on Monday and Wednesday concerning an energy policy, and I can now understand very clearly why no previous President has put forward one. [*Laughter*] It's been one of the most challenging and in some degrees unpleasant undertakings I've ever assumed.

We are assessing our Nation's position on the SALT negotiations, which will resume in Geneva early in this coming month. We are putting together 8 or 10

different committees to deal with things like the comprehensive test ban, the demilitarization of the Indian Ocean, and so forth.

I just issued today an anti-inflation speech. We have a comprehensive welfare proposal to put forward the first of May.

And all those things are going on simultaneously. I try to farm out as much of my own administrative responsibility as I can to my staff members, and I rely much more heavily on Cabinet officers than perhaps my immediate predecessors have done. But I think we have got a good, strong staff and a good, strong Cabinet.

We have done the best we could so far to have an open interrelationship with the public so that the controversial issues that I face every day—there are literally dozens of them each day, as you can imagine, including some major ones that I have described—can be freely debated in the American society.

It's very helpful to me to have an analysis of your own editorial comments. I get this daily. The last thing I read at night is an accumulation of editorials, the network commentators, columnists, so that I can see in that fashion what the American people think about the issues that I have to decide.

I think it might be good to answer your questions, and I will try to be as brief as I can.

Q. Mr. President, about a year and a half ago——

THE PRESIDENT. You might tell me where you are from.

IMPORTS

Q. I'm Tom Bonnar, from [WMUR-TV] Manchester, New Hampshire.

About a year and a half ago you spent a lot of time going through our mills and shaking hands with a lot of people when it was pretty cold. And our mills seem to be in trouble now because of imports, and there is a good chance that a lot of them will be closing and there will be thousands of people out of work. What can be done by you?

THE PRESIDENT. I didn't go into the details of what we are facing at this point, but one of the major issues that I have to resolve is the correlation of permitting international trade to continue without creating tariff warfare, which is very helpful to our own economy, our exports, and also the prices that consumers pay on the one hand, and restricting unwarranted imports from other countries.

I have already resolved as best I could the question of imported mushrooms, shoes—and I'll get back to that in a moment. We are now renegotiating the multifiber agreement, and I face the problem of television sets, color television in particular, and very shortly the question of sugar.

I believe that Bob Strauss, who is our Special Trade Representative and responsible for these negotiations, will do a good job. I would guess that I've been in at least 50 of the shoe-manufacturing companies in your area, and I've seen the tremendous dedication of those people, the hard work that they put forward, quite often in very old buildings that have been modified to accommodate the shoe-manufacturing process.

The two primary countries that I think have increased their imports to our Nation too much have been Korea and Taiwan. And the representatives of those governments are in Washington now working with Bob Strauss. I believe that when we come out with a mutually acceptable agreement, with as much of it being voluntary as possible, that it will be a reasonable approach.

And this will be mirrored very quickly by an approach to the color television question; specialty steels has already been decided. To the extent that we can follow my own campaign commitment in this respect, voluntary constraints, first of all with our country putting pressure on them. If you don't agree to cut back voluntarily on the number of shoes you export to our country, then we will put mandatory quotas on or high tariffs. I think that's the best approach.

I recognize the problem. And, of course, we are moving simultaneously in some of these industries, particularly shoes, to get the Departments of Labor, Commerce, Treasury, and others, to help revitalize the industry because in the long run you cannot benefit from having very old and outmoded manufacturing plants competing, with artificial protection, with the more modernized and more productive plants. Of course, the difference in labor costs—we try to accommodate for that.

AMNESTY FOR ILLEGAL ALIENS

Q. Mr. President, you touched briefly on the alien problem this morning. Are you still favoring amnesty for these illegal aliens that are already in the country, and do you favor the Rodino bill?

THE PRESIDENT. Well, I can't say that I favor the Rodino bill because I am sure that we'll advocate some difference with that particular bill. It's in a state of flux. I don't know if you could say that a cer-

tain thing is the Rodino bill now because Congressman Rodino has not decided what he wants to be in his bill.

I think some element of amnesty will be mandatory. How far back to go, what particular kinds of citizens to grant amnesty to will be the difficult questions. But I don't think that we could have any sort of workable control on undocumented workers or illegal aliens if we just say that everyone who's here who's not a citizen has got to be arrested and forced to depart to Mexico.

Some of those illegal aliens have been here 15 or 20 years. They are fine American citizens in the practical sense of the word "citizen." They have good jobs, they are self-supporting, and we don't want to kick them out. But I think the definition of amnesty is the difficult part. But I do think amnesty is going to be a part of the program, yes.

FLOOD DISASTER CONTROL PROGRAM

Q. Mr. President, I am Bob Comstock [The Record, Hackensack, N.J.] I had the job your cousin Don once held in Hackensack, New Jersey.

THE PRESIDENT. Very good.

Q. And a matter of great concern there is the Federal flood disaster control program, whereby a house which is designated in a flood plain and severely damaged by flood or by fire, or anything else, it's difficult, if not impossible, to rebuild.

The act in '73 authorized purchase—negotiation for purchase of houses partially damaged, but it has never been funded.

I wonder if you have a position on this program or have concerned yourself with it at all and feel that the Federal Government has an obligation to people they refused to allow to rebuild a house which is 60-percent damaged, for instance?

THE PRESIDENT. I am not familiar with that particular provision and don't have an opinion to express. We do have, this week, a legitimate need to designate several States as major disaster areas, at least certain counties in those States. I have done that already, in several instances.

But whether or not the Congress needs to appropriate money specifically to purchase homes in a flood plain area which is dangerous and can't be corrected, with upstream dams and so forth, I just don't know how to answer that question now. I haven't gone into it.

PUBLIC SERVICE EMPLOYMENT

Q. Mr. President, I am Walter Cowan, from the States-Item of New Orleans.

I am very much interested in one of your proposals. You talk about recreating the old-type CCC. I think it was really a worthwhile organization. And you have mentioned revitalizing the neighborhoods in some of the rundown cities, of which New Orleans has its great share, along with New York and Detroit and places like that.

What about the prospect of tying the CCC-type operation into an urban neighborhood improvement program that really has meaning to it? I am thinking about a corps that would move from neighborhood to neighborhood, probably centered around the public schools, and really upgrade the inner cities.

We have a big movement now back to the cities and there's no reason why a lot of those rundown areas couldn't be revitalized. What would you think about that?

THE PRESIDENT. I think that is an excellent idea. We have left intact, after withdrawing the rebate and the business tax credit, about \$20 billion to \$23 billion in economic stimulus. All but about \$4 billion of that is for job programs. And

there is a major emphasis there on youth employment.

During the campaign, I put forward the idea that you have just discussed. And Ray Marshall, our Secretary of Labor, has now put this proposal before the Congress for, I hope, approval; that we would have a program similar to the CCC, but it would be oriented toward the urban areas, is the way I expressed it during the campaign.

It is an excellent idea. And I think that some of the programs in the past that have not been effective because the participants couldn't see what tangible things they were accomplishing, like the original Job Corps, will be strengthened.

Q. Naturally, you couldn't spend a lot of time with one group in one neighborhood.

THE PRESIDENT. Yes, I know.

Q. But these groups could be mobile, just like they are in the forests and public parks and that sort of thing.

THE PRESIDENT. One other point that we are pursuing is something they have done in Baltimore, which worked very well, and that is to let relatively poor families buy some of the dilapidated row houses, put a modest amount of Federal money in, and let the family who bought the house themselves do the manual labor, the sawing of boards, and so forth. I have been there and visited those places on two different occasions. And I think it works out very well.

But I think the more people can see that their own government-supported job is productive, whether it is a transient benefit or a permanent profession, to that extent we can make these programs more meaningful.

POLICY ON AFRICA

Q. Mr. President, I am Vince Sanders from the National Black Network, and I'd

like to know if your administration has got to the point where it's developed a policy toward Africa, that gives you a course of action rather than reaction to trouble spots like Zaire and Rhodesia. Do you have a definitive policy toward Africa as of yet?

THE PRESIDENT. We are evolving one. I have spent an awful lot of time on the African question.

I don't think I have announced this previously is the reason I am hesitating, but I have asked the Vice President particularly to concentrate on the African question. And he's been doing a lot of detailed analysis of each country, its history, background, leadership, and how it relates to its neighbors, and so forth. And I meet with him frequently. We had a meeting, just before lunch, on Africa.

I think that we do have a good policy evolving. We have deliberately decided as part of that policy, though, to let the British Government retain the leadership role for the time being.

On David Owen's present trip, the Foreign Minister of Britain, we authorized him to say that we backed his proposal and that we were prepared to participate for the first time in a Geneva conference, if one could be called.

There are three interrelated items, as you know. One is what to do with Rhodesia. And we think that the Smith government should step down very shortly and permit majority rule in Rhodesia. My own preference is that the people of that country have a right to vote on who their leader should be.

Obviously, the only country outside Rhodesia which has a major influence on the Smith government is South Africa. And we are maintaining communications with the South African leadership.

The second question, that's related, is what to do about Namibia or Southwest Africa. Here we again favor majority rule

in Namibia. The United Nations has a major role to play here as do the British in Rhodesia. And we have encouraged the South African Government to move expeditiously in releasing that country to its own leadership.

Of course, in South Africa, which has a legally constituted government, what we need there of course is to pursue our own commitment of the ending of apartheid and move eventually toward majority rule.

The difficult question is, you know, how much to push the South African Government and to drive them into a corner and to alienate them from us, because to a major degree the South African Government is a stabilizing influence in the southern part of that continent and they have a major role to play in the peaceful resolution of Rhodesia and Namibia.

So, I think we do have an evolving policy toward South Africa. David Owen will be back from his tour having met with many of the African leaders, both black and white. On the 18th of this month, which I think is Monday, he'll make his report to the British Cabinet and then make his report to us as well. We get daily communiques from Foreign Minister Owen on this trip.

Q. The Kissinger plan—it makes provisions for the whites who are there in Rhodesia. And my feeling is that Ian Smith, with the kind of control that he's retaining now—he could more or less implement a peaceful transition that will also provide some reparations for the blacks who are going to be displaced. I think my question is, will the Kissinger plan be figured in a new conference that the United States will sponsor?

THE PRESIDENT. Certain component parts of it. As you know, one of the major questions is who is going to control the army or the military force that exists in Rhodesia? I think that in the past when a so-called reserve fund was set up to com-

pensate white families and others who decided to leave, the reserve funds have not been used. In Kenya and some other countries, these kinds of reserves have been voluntarily contributed by nations; they have never been used because in the history of those countries—and it may be completely different in Rhodesia, of course—the land was simply transferred through routine, open market means.

So, the fact that Kissinger did agree, I think with substantial congressional approval, to contribute to a fund to compensate white landowners and others, doesn't mean that we are putting that much money out for good. It just means that we agreed back then to contribute our part to a fund that may or may not be used. It is obviously extremely complicated and we could talk for hours about it.

CUBAN EXPEDITIONARY FORCE IN AFRICA

Q. On the same subject of Africa, do you agree with Andy Young that the Cuban expeditionary force is a stabilizing influence?

THE PRESIDENT. I have called publicly for the Cuban expeditionary force to be withdrawn from Africa. I read the whole text, of course, of Andy's statement, and what he said, I do agree with it. It obviously stabilized the situation. And I think that the present Angolan Government under Neto is likely to stay in power. The Cubans ought to withdraw their forces from Africa.

Q. Would this be a precondition in the present talks of normalizing relations with Cuba?

THE PRESIDENT. Well, I wouldn't say that it would be a precondition to the talks. We are talking to Cuba now for the first time in a number of years.

Q. Precondition of normalizing relations?

THE PRESIDENT. I would rather not say that before we ever had normal relations with Cuba they would have to withdraw every Cuban from other nations on Earth. We don't do it. I think we have got probably 1,200 different places around the world where we have some American troops. But the withdrawal of Cuban troops is a dominant factor in Angola and other places around Africa. They have troops in a lot of other countries besides—people, rather, I don't know about troops—in a lot of other countries.

I just rather would not be pinned down so specifically on it. But the attitude of Cuba to withdraw its unwarranted intrusion into the affairs of Africa and other nations would be a prerequisite for normalization, yes.

CHINA

Q. Do you maintain contact with the Chinese on SALT or the Korean withdrawal?

THE PRESIDENT. Yes, we do. I have met with the Chinese Special Representative here, who, as you know, is an Ambassador, for an extended conversation once. Cy Vance talks to him on a routine basis, including one substantial conversation since Vance came back from Moscow. We try to keep the Chinese informed about our own attitudes, and, although we don't have diplomatic relations with them directly, with exchange of Ambassadors, we do have a friendly relationship with them.

There have been numerous congressional delegations going to China. There is one over there now. And I thought it would be good to let a member of my family go. So I asked my middle son, Chip, to accompany the congressional leaders when they went over.

We exchange ideas with the Chinese on SALT. We try not to violate confidences. If the Soviets tell us something

in a negotiating session that we consider to be of a confidential nature, we certainly don't tell the Chinese about it. But we tell them our basic position. And I think we have as good a relationship as one could have with China short of full diplomatic relations.

Q. Mr. President, in your press conference this morning—on the campaign out in Iowa you said that in your farm bill you would try to keep support and target prices at levels to guarantee farmers would at least break even on their crops, and yet your bill that has gone to Congress—most analysts say that those levels are too low, including your own Secretary of Agriculture. How do you reconcile that?

THE PRESIDENT. Well, don't forget there are two different kinds of price levels. One is the support level, which is predicated not on how much it costs to produce a crop but on what the international market price is. I think in the case of wheat, for instance, that is \$2.25. The other figure is one called income support maintenance level.

We analyzed as best we could the actual cost of production of wheat. The figures that Bob Bergland gave me were that on out-of-pocket expenses it was \$2.20 a bushel. This is a nationwide average. We allotted 17 cents a bushel for a so-called management fee—that includes everything that the farmer has to do to manage a crop—and then we took the average cost of land throughout the Nation and figured that 1½ percent per year of the value of land ought to be allotted as a cost of production. That's an arbitrary decision.

In my opinion, you could very well argue that when land increased in value that that, in effect, was an increase in income for the farmers. It has kept a lot of farmers financially alive to have their land values go up.

But we did say that the actual out-of-pocket costs, \$2.20, management fee, 17 cents, and a 1½ percent of actual land values which, I think, we assume was \$400 an acre nationwide, was a figure that ought to be guaranteed to the farmers. That is \$2.60.

Now, I know that in many areas where the land is very valuable, highly productive, fertilizing needs are low, topography is so you can use large equipment, that you can produce wheat less than \$2.60. Other places you can't produce it for \$2.60. But you have to go on a nationwide average basis. And I don't have any apology to make for the recommendations that we made.

I have said in front of literally dozens of farm groups that if I did become President, that I would never try to guarantee the farmers a profit; that I would do the best I could to make our own Government payments equivalent to actual production costs. I believe we have done that. But, of course, you can get economists to say that it costs more than \$2.60 a bushel to produce wheat.

Q. For all crops?

ENERGY COSTS

THE PRESIDENT. Yes. We try to do that for every crop individually, the ones that have price support levels on them. Well, you know what they are—feed grains, soybeans, rice, cotton, and wheat, which we just discussed.

Q. Mr. President, Lou Lerner, Lerner Newspapers, Chicago. Let me ask you a question about energy, or lack of it.

In your proposals which we have read, part of it is a substantial increase in various energy costs. How does the administration hope to convince the American people that in fact these profits from the increased costs are not going into the pockets of the big oil companies to buy

Montgomery Ward, or Container Corporation, or something else?

THE PRESIDENT. Well, nobody has read a report of my own position on the energy question because I haven't written anything and I haven't signed anything. I haven't made any final approval on it. Almost all of the stories that have been written so far have been conjectural in nature, or they have been designed around a proposal that was made to me from many different sources which I am now assessing.

I think that we can convince the American people that the oil companies will not derive a windfall profit from any increases in the cost of fuel to the consumer. One way to do it obviously is to have the increased costs above present levels be mirrored in taxes collected and then devise some way to return those taxes to consumers so that the net cost to the consumer over a period of a year doesn't change appreciably, but the inclination to restrict the use of scarce energy does become stronger. That's just one possibility.

Also, there's a matter of distinguishing between energy that's already being produced and an instigation to explore for new supplies of energy. That can be done by deregulating the price of newly discovered oil and natural gas. And there's another factor involved, and that is the convincing of the American people that we do face a crisis.

I have met with Stan Turner, the Director of the Central Intelligence Agency, just before lunch, as I said earlier, and I asked him quite early next week to make available the nonsecret elements of the worldwide energy assessment that they have just completed.¹ This was initi-

¹ On April 18, the White House Press Office released copies of the Central Intelligence Agency's 18-page report entitled "The International Energy Situation: Outlook to 1985."

ated a long time ago, long before I became President.

The fact is that the known world reserve supplies are much less than we had thought earlier.

So, I believe that these things can be done. And if it's an overall balanced package, then we have got a good chance to convince the American people that they are making some sacrifice, the oil companies are making some sacrifice, the automobile manufacturers are making some sacrifice, and that it is equitable. The oil companies have been primarily the ones so far, based on stories, some of which are true, who have taken out full-page ads and so forth, to criticize—

Q. Not in my paper.

THE PRESIDENT. I understand. Thank you, Lou. [*Laughter*]

—to criticize. I might say it's one of the most unpleasant and difficult subjects that I have ever had to address. And I know that when it comes out, anybody, a Governor, a mayor, an oil company, or a consumer can find something wrong with it they don't like. I hope in balance, though, that it will be assessed as fair and equitable and necessary.

Q. Thank you, sir.

THE PRESIDENT. Thank you very much. I appreciate a chance to meet with you and wish I could answer questions all afternoon.

TAX REBATE

Q. Did you sleep well last night, Mr. President, after having to make that decision on the tax rebate?

THE PRESIDENT. Yes. I have slept better than I have. I have been concerned about that for a number of weeks. This past weekend, in my own mind I decided that I would make a change. I didn't mention it to anyone until Monday at noon when I talked to the Vice President,

and then, after talking it over with him, we let the economic advisers start bringing me information about trends in inflation and increased consumer confidence, retail sales, plans for business investment, and I became convinced that it just simply was not necessary.

When I called the Senate leaders, primarily, I found them to be almost unanimously in favor of the change. So far as I know, Senator Muskie was the only one that expressed to me any concern about the decision, and Senator Humphrey who, as you know, has a very liberal—deservedly liberal—reputation, said it was the best news that he had, that he had already decided and had discussed it with his wife, Muriel, the night before that he was going to come back to Washington early this weekend to get Senators Byrd and Long to join him in coming to the White House to ask me to withdraw the \$50 rebate proposal, that he didn't think it was necessary. So, I feel good about it.

Q. Do you feel you have lost credibility? Does it bother you that you may have lost some credibility with the public?

THE PRESIDENT. Well, of course, I don't like to lose any credibility. I am sure when you change your mind about something that you do lose some degree of credibility, but I think I would have lost just as much credibility to insist on an economic stimulus element which was not actually necessary. Circumstances now compared to what they were in December are completely different. And I think the remaining stimulus package, \$20 billion to \$23 billion, built primarily around job opportunities is the proper approach.

Q. Is there a chance that some of the waterway projects, a significant number, will be okayed?

THE PRESIDENT. A significant number will be okayed; a significant number won't be okayed. [*Laughter*]

Q. Thank you, Mr. President.

THE PRESIDENT. Thank you.

NOTE: The interview began at 1:25 p.m. in the Cabinet Room at the White House.

The transcript of the interview was released on April 16.

Water Resource Projects

Statement Announcing Administration Decisions. April 18, 1977

Today I am announcing my decision on Federal water resource programs:

—I am recommending the deletion of funds for 18 projects, at a total savings of over \$2.5 billion.

—I am recommending modifications of 5 projects, at a total savings of almost \$1.5 billion.

—I am recommending the continuation of 9 projects without modification.

—I am recommending the development of major policy reforms in the following areas:

1. more realistic project evaluation criteria;
2. dam safety;
3. cost sharing for Federal projects;
4. water conservation; and
5. redirected public works programs.

In balancing the budget, cutting back on inflation, and making the Federal Government more responsive to the needs of the people, difficult choices have to be made. Activities which are wasteful, unsafe, or economically or environmentally unsound simply cannot be pursued. Water resource development programs of the Corps of Engineers, the Bureau of Reclamation, and the Tennessee Valley Authority are a case in point.

In my budget recommendations to the Congress last February, I initiated a major review of ongoing water resource projects. The review is now complete, and

I have specific recommendations for the Congress on the 32 projects which were subject to public hearings. They are based on reviews by the Interior Department, the Corps of Engineers, and the Tennessee Valley Authority, with assistance from the Office of Management and Budget and the Council on Environmental Quality.

My decision on individual projects was a difficult one. I have tried to be fair and to give the benefit of the doubt on some projects which would certainly not be justified if they were proposed today. However, I have not hesitated to recommend termination or modification of projects which appeared justified when they were originally authorized.

In consultation with the Congress, State, and local governments, and the public, I intend to develop detailed policy recommendations to insure that our water-related needs are met in the best manner and to use realistic criteria for water project evaluation. The review process I started during the first days of my administration is not going to stop here; further work needs to be done and fundamental improvements need to be made in our water policies and programs.

The drought in the West and recent severe flooding in the East have shown us that despite the massive numbers of federally funded water projects in existence, we are still as susceptible as ever to the ravages of the weather. Instead of proceeding down the same road of more and bigger structural projects, we need to rethink our policies.

In particular, I will work with Congress to develop policy reforms in the following areas:

1. *Realistic assessment of both economic and environmental costs and benefits*

I will work with Congress to establish more realistic criteria and procedures to

insure that initial development decisions are wise.

A more realistic interest rate must be used in calculating the costs and benefits of projects. Many of the projects I reviewed were authorized at such low rates that even though we are building them today, we are pretending that the cost of capital is still the same as it was many years ago. In times of a tight budget, we must be realistic about what it is actually costing the taxpayers of the Nation to build these projects.

We must be more realistic in initial cost estimates for projects to avoid the enormous cost overruns typical of so many water projects. Some projects are ending up costing many times what they were estimated to cost when the Congress originally authorized them.

We must scrutinize the beneficiaries of the projects to make sure that the general public is benefiting from projects, not merely narrow or special interests. One project I reviewed would have benefited only two companies; another would have spent over \$1 million per landowner benefited with little repayment. Yet such projects are typically described as providing broad public benefits or helping family farmers.

Demonstrated need for projects must precede authorization and funding. Too often, exaggerated "benefits" and questionable claims of recreation value, fish and wildlife enhancement, or area redevelopment have been used to justify otherwise marginal projects. All too often, valuable river recreation and fish and wildlife habitat have been destroyed in the name of "enhancement."

Alternatives, especially nonstructural or small-scale solutions to specific problems such as floods, should always be investigated as substitutes for expensive and damaging projects which often do not provide effective solutions anyway. Inter-

agency cooperation and encouragement of local solutions to local problems need to be an integral part of every water project analysis.

Through each aspect of analysis, environmental values must be a primary concern to insure that irreplaceable natural resources are protected from needless degradation or destruction.

2. Dam safety

I am taking action to upgrade our Federal dam safety and inspection program, and I will work with the Congress to develop legislation to insure that every State has an adequate dam safety program. The recent Teton Dam tragedy indicates the importance of this problem, and several of the projects examined during the review raised significant safety questions. This is a critical consideration for both existing and proposed dams.

3. Cost sharing for Federal water projects

The beneficiaries of Federal water projects do not bear a fair share of the enormous capital and operating costs. An example of this problem is that the users of the Nation's waterways pay nothing for their construction or maintenance. Today I am recommending continuation of some waterway projects, but I will work with the Congress to develop a system to recoup the costs from the beneficiaries. It is essential as a test of economic demand for existing and future facilities and in assuring a balanced transportation system that the beneficiaries of waterway projects pay their fair share of both construction and operating costs. I will also be recommending comprehensive reforms in other cost-sharing formulas. This action is essential to genuine water program reforms.

4. Water conservation

In the arid West and across the entire Nation, we must begin to recognize that water is not free—it is a precious resource.

As with our energy problem, the cornerstones of future water policy should be wise management and conservation. Irrigation efficiency, water pricing, groundwater management, and thoughtful land use decisions will help institute lasting protection from drought and lessen the need for expensive new water projects. Some of the 32 projects would bring water to areas where water use is not even metered and where there are no State groundwater management programs. And the General Accounting Office has recently shown that over half of the water delivered through Bureau of Reclamation irrigation systems is completely wasted. This is unacceptable.

5. *Redirected public works program*

The current heavy emphasis on expensive water projects is counter to the need

for a more balanced public works program providing jobs where they are needed the most, at a cost we can afford, accomplishing necessary work. Water projects provide more expensive jobs than other government spending programs (\$25,000 per job), and the current pattern of water project distribution is contributing to the Federal dollar drain out of the heavily populated Northeast where economic stimulus is needed. Many of our water projects simply shift economic development for no apparent policy reason. I have proposed reforms in this area as part of my economic stimulus program, and I will also be developing suggested redirections for the Corps of Engineers and the Bureau of Reclamation.

My specific recommendations follow:

RECOMMENDATION FOR DELETION

	Original fiscal year 1978 request (millions)	Total savings (millions)
1. Applegate Lake, Oregon (COE).....	\$7. 4	\$74. 0
2. Atchafalaya River and Bayous; Boeuf, Black & Chene, Louisiana (COE).....	5. 1	10. 1
3. Bayou Bodcau, Louisiana (COE).....	2. 4	10. 0
4. Cache Basin, Arkansas (COE).....	2. 0	88. 5
5. Grove Lake, Kansas (COE).....	1. 0	83. 9
6. Hillsdale Lake, Kansas (COE).....	14. 0	38. 6
7. LaFarge Lake, Wisconsin (COE).....	2. 0	36. 9
8. Lukfata Lake, Oklahoma (COE).....	0. 2	29. 6
9. Meramec Park Lake, Missouri (COE).....	10. 0	88. 7
10. Richard B. Russell, Georgia; South Carolina (COE).....	21. 0	254. 9
11. Tallahala Creek, Mississippi (COE).....	5. 0	52. 0
12. Yatesville, Kentucky (COE).....	7. 2	42. 7
13. Columbia Dam, Tennessee (TVA).....	20. 0	110. 4
14. Auburn, California (BR) ¹	39. 7	898. 6
15. Fruitland Mesa, Colorado (BR).....	7. 7	82. 5
16. Narrows Unit, Colorado (BR) ¹	9. 7	139. 2
17. Oahe, South Dakota (BR) ¹	17. 0	414. 4
18. Savery-Pot Hook, Colorado, Wyoming (BR).....	6. 0	71. 3
Total savings.....	177. 4	2, 526. 3

¹ Further analysis might eventually lead to reinstatement or modification—see specific recommendations.

RECOMMENDATION FOR MODIFICATION

	Cost to complete original plan (millions)	Estimated savings due to modification (millions)
1. Mississippi River, Gulf Outlet Louisiana (COE).....	\$282. 8	\$24. 0
2. Tensas Basin, Arkansas and Louisiana (COE).....	186. 3	135. 0
3. Bonneville Unit, Central Utah Project, Utah (BR).....	687. 6	659. 8
4. Central Arizona Project, Arizona (BR).....	1, 280. 3	333. 0
5. Garrison Diversion, North Dakota (BR).....	436. 4	302. 0
Total.....	2, 873. 4	1, 453. 8

RECOMMENDATION FOR CONTINUED FUNDING

	Fiscal year 1978 request (millions)	Remaining federal cost (millions)
1. Dayton, Kentucky (COE).....	\$2. 9	\$7. 2
2. Fulton, Illinois (COE).....	4. 2	12. 0
3. Red River Waterway, Louisiana (COE).....	26. 0	815. 9
4. Tennessee-Tombigbee Waterway, Alabama and Mississippi (COE).....	157. 0	1, 144. 4
5. Tyrone, Pennsylvania (COE).....	1. 5	27. 5
6. Bear Creek, Alabama and Mississippi (TVA).....	18. 6	22. 4
7. Dallas Creek, Colorado (BR).....	12. 2	46. 3
8. Dolores, Colorado (BR).....	5. 7	183. 4
9. Lyman, Wyoming (BR).....	4. 1	9. 9
Total.....	232. 2	2, 269. 0

I intend to cooperate with the Congress in accomplishing reform in the water resource area, and I hope that the Congress will cooperate with me in eliminating wasteful and destructive spending on water projects.

Individual sheets detailing the recommendations and other information on each of the 32 projects follow.

NOTE: The individual sheets to which the President referred in his statement were released by the White House Press Office on the same day.

United States-Canada Treaty on Penal Sentences

Message to the Senate Transmitting the Treaty. April 18, 1977

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the Treaty between the United States of America and Canada on the Execution of Penal Sentences which was signed at Washington on March 2, 1977.

I transmit also, for the information of the Senate, the report of the Department of State with respect to the Treaty.

The Treaty would permit citizens of either nation who had been convicted in the courts of the other country to serve their sentences in their home country; in each case the consent of the offender as well as the approval of the authorities of the two Governments would be required.

This Treaty is significant because it represents an attempt to resolve a situation which has inflicted substantial hardships on a number of citizens of each country and has caused concern to both Governments. I recommend that the Senate give favorable consideration to this Treaty together with the similar treaty with the United Mexican States which I have already transmitted.

JIMMY CARTER

The White House,
April 18, 1977.

United States-Finland Extradition Treaty

Message to the Senate Transmitting the Treaty. April 18, 1977

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the Treaty on Extradition between the United States of America and Finland, signed at Helsinki on June 11, 1976.

I transmit also, for the information of the Senate, the report of the Department of State with respect to the Treaty.

The Treaty is one of a modern series of extradition treaties being negotiated by the United States. It adds to the list of extraditable offenses the offenses of aircraft hijacking, narcotics, and conspiracy to commit listed offenses and, upon entry into force, will terminate and supersede the existing extradition treaty relationship between the United States and Finland.

This Treaty will make a significant contribution to the international effort to control narcotics traffic. I recommend that the Senate give early and favorable consideration to the Treaty and give its advice and consent to ratification.

JIMMY CARTER

The White House,
April 18, 1977.

THE ENERGY PROBLEM

Address to the Nation. April 18, 1977

Good evening.

Tonight I want to have an unpleasant talk with you about a problem that is unprecedented in our history. With the exception of preventing war, this is the greatest challenge that our country will face during our lifetime.

The energy crisis has not yet overwhelmed us, but it will if we do not act quickly. It's a problem that we will not be able to solve in the next few years, and it's likely to get progressively worse through the rest of this century.

We must not be selfish or timid if we hope to have a decent world for our children and our grandchildren. We simply must balance our demand for energy with our rapidly shrinking resources. By acting now we can control our future instead of letting the future control us.

Two days from now, I will present to the Congress my energy proposals. Its Members will be my partners, and they have already given me a great deal of valuable advice.

Many of these proposals will be unpopular. Some will cause you to put up with inconveniences and to make sacrifices. The most important thing about these proposals is that the alternative may be a national catastrophe. Further delay can affect our strength and our power as a nation.

Our decision about energy will test the character of the American people and the ability of the President and the Congress to govern this Nation. This difficult effort will be the "moral equivalent of war," except that we will be uniting our efforts to build and not to destroy.

Now, I know that some of you may doubt that we face real energy shortages. The 1973 gas lines are gone, and with this springtime weather, our homes are warm again. But our energy problem is worse tonight than it was in 1973 or a few weeks ago in the dead of winter. It's worse because more waste has occurred and more time has passed by without our planning for the future. And it will get worse every day until we act.

The oil and natural gas that we rely on for 75 percent of our energy are simply running out. In spite of increased effort, domestic production has been dropping steadily at about 6 percent a year. Imports have doubled in the last 5 years. Our Nation's economic and political independ-

ence is becoming increasingly vulnerable. Unless profound changes are made to lower oil consumption, we now believe that early in the 1980's the world will be demanding more oil than it can produce.

The world now uses about 60 million barrels of oil a day, and demand increases each year about 5 percent. This means that just to stay even we need the production of a new Texas every year, an Alaskan North Slope every 9 months, or a new Saudi Arabia every 3 years. Obviously, this cannot continue.

We must look back into history to understand our energy problem. Twice in the last several hundred years, there has been a transition in the way people use energy.

The first was about 200 years ago, when we changed away from wood—which had provided about 90 percent of all fuel—to coal, which was much more efficient. This change became the basis of the Industrial Revolution.

The second change took place in this century, with the growing use of oil and natural gas. They were more convenient and cheaper than coal, and the supply seemed to be almost without limit. They made possible the age of automobile and airplane travel. Nearly everyone who is alive today grew up during this period, and we have never known anything different.

Because we are now running out of gas and oil, we must prepare quickly for a third change—to strict conservation and to the renewed use of coal and to permanent renewable energy sources like solar power.

The world has not prepared for the future. During the 1950's, people used twice as much oil as during the 1940's. During the 1960's, we used twice as much as during the 1950's. And in each of those decades, more oil was consumed than in all of man's previous history combined.

World consumption of oil is still going up. If it were possible to keep it rising during the 1970's and 1980's by 5 percent a year, as it has in the past, we could use up all the proven reserves of oil in the entire world by the end of the next decade.

I know that many of you have suspected that some supplies of oil and gas are being withheld from the market. You may be right, but suspicions about the oil companies cannot change the fact that we are running out of petroleum.

All of us have heard about the large oil fields on Alaska's North Slope. In a few years, when the North Slope is producing fully, its total output will be just about equal to 2 years' increase in our own Nation's energy demand.

Each new inventory of world oil reserves has been more disturbing than the last. World oil production can probably keep going up for another 6 or 8 years. But sometime in the 1980's, it can't go up any more. Demand will overtake production. We have no choice about that.

But we do have a choice about how we will spend the next few years. Each American uses the energy equivalent of 60 barrels of oil per person each year. Ours is the most wasteful nation on Earth. We waste more energy than we import. With about the same standard of living, we use twice as much energy per person as do other countries like Germany, Japan, and Sweden.

One choice, of course, is to continue doing what we've been doing before. We can drift along for a few more years.

Our consumption of oil would keep going up every year. Our cars would continue to be too large and inefficient. Three-quarters of them would carry only one person—the driver—while our public transportation system continues to decline. We can delay insulating our homes, and they will continue to lose about 50 percent of their heat in waste. We can continue using scarce oil and natural gas to generate electricity and continue wasting two-thirds of their fuel value in the process.

If we do not act, then by 1985 we will be using 33 percent more energy than we use today.

We can't substantially increase our domestic production, so we would need to import twice as much oil as we do now. Supplies will be uncertain. The cost will keep going up. Six years ago, we paid \$3.7 billion for imported oil. Last year we spent \$36 billion for imported oil—nearly 10 times as much. And this year we may spend \$45 billion.

Unless we act, we will spend more than \$550 billion for imported oil by 1985—more than \$2,500 for every man, woman, and child in America. Along with that money that we transport overseas, we will continue losing American jobs and become increasingly vulnerable to supply interruptions.

Now we have a choice. But if we wait, we will constantly live in fear of embargoes. We could endanger our freedom as a sovereign nation to act in foreign affairs. Within 10 years, we would not be able to import enough oil from any country, at any acceptable price.

If we wait and do not act, then our factories will not be able to keep our people on the job with reduced supplies of fuel.

Too few of our utility companies will have switched to coal, which is our most abundant energy source. We will not be ready to keep our

transportation system running with smaller and more efficient cars and a better network of buses, trains, and public transportation.

We will feel mounting pressure to plunder the environment. We will have to have a crash program to build more nuclear plants, strip mine and burn more coal, and drill more offshore wells than if we begin to conserve right now.

Inflation will soar; production will go down; people will lose their jobs. Intense competition for oil will build up among nations and also among the different regions within our own country. This has already started.

If we fail to act soon, we will face an economic, social, and political crisis that will threaten our free institutions. But we still have another choice. We can begin to prepare right now. We can decide to act while there is still time. That is the concept of the energy policy that we will present on Wednesday.

Our national energy plan is based on 10 fundamental principles. The first principle is that we can have an effective and comprehensive energy policy only if the Government takes responsibility for it and if the people understand the seriousness of the challenge and are willing to make sacrifices.

The second principle is that healthy economic growth must continue. Only by saving energy can we maintain our standard of living and keep our people at work. An effective conservation program will create hundreds of thousands of new jobs.

The third principle is that we must protect the environment. Our energy problems have the same cause as our environmental problems—wasteful use of resources. Conservation helps us solve both problems at once.

The fourth principle is that we must reduce our vulnerability to potentially devastating embargoes. We can protect ourselves from uncertain supplies by reducing our demand for oil, by making the most of our abundant resources such as coal, and by developing a strategic petroleum reserve.

The fifth principle is that we must be fair. Our solutions must ask equal sacrifices from every region, every class of people, and every interest group. Industry will have to do its part to conserve just as consumers will. The energy producers deserve fair treatment, but we will not let the oil companies profiteer.

The sixth principle, and the cornerstone of our policy, is to reduce demand through conservation. Our emphasis on conservation is a clear

difference between this plan and others which merely encouraged crash production efforts. Conservation is the quickest, cheapest, most practical source of energy. Conservation is the only way that we can buy a barrel of oil for about \$2. It costs about \$13 to waste it.

The seventh principle is that prices should generally reflect the true replacement cost of energy. We are only cheating ourselves if we make energy artificially cheap and use more than we can really afford.

The eighth principle is that Government policies must be predictable and certain. Both consumers and producers need policies they can count on so they can plan ahead. This is one reason that I'm working with the Congress to create a new Department of Energy to replace more than 50 different agencies that now have some control over energy.

The ninth principle is that we must conserve the fuels that are scarce and make the most of those that are plentiful. We can't continue to use oil and gas for 75 percent of our consumption, as we do now, when they only make up 7 percent of our domestic reserves. We need to shift to plentiful coal, while taking care to protect the environment, and to apply stricter safety standards to nuclear energy.

The tenth and last principle is that we must start now to develop the new, unconventional sources of energy that we will rely on in the next century.

Now, these 10 principles have guided the development of the policy that I will describe to you and the Congress on Wednesday night.

Our energy plan will also include a number of specific goals to measure our progress toward a stable energy system. These are the goals that we set for 1985:

- to reduce the annual growth rate in our energy demand to less than 2 percent;
- to reduce gasoline consumption by 10 percent below its current level;
- to cut in half the portion of U.S. oil which is imported—from a potential level of 16 million barrels to 6 million barrels a day;
- to establish a strategic petroleum reserve of one billion barrels, more than a 6-months supply;
- to increase our coal production by about two-thirds to more than one billion tons a year;
- to insulate 90 percent of American homes and all new buildings;
- to use solar energy in more than 2½ million houses.

We will monitor our progress toward these goals year by year. Our plan will call for strict conservation measures if we fall behind. I can't tell you that these measures will be easy, nor will they be popular. But I think most of you realize that a policy which does not ask for changes or sacrifices would not be an effective policy at this late date.

This plan is essential to protect our jobs, our environment, our standard of living, and our future. Whether this plan truly makes a difference will not be decided now here in Washington but in every town and every factory, in every home and on every highway and every farm.

I believe that this can be a positive challenge. There is something especially American in the kinds of changes that we have to make. We've always been proud, through our history, of being efficient people. We've always been proud of our ingenuity, our skill at answering questions. Now we need efficiency and ingenuity more than ever.

We've always been proud of our leadership in the world. And now we have a chance again to give the world a positive example.

We've always been proud of our vision of the future. We've always wanted to give our children and our grandchildren a world richer in possibilities than we have had ourselves. They are the ones that we must provide for now. They are the ones who will suffer most if we don't act.

I've given you some of the principles of the plan. I'm sure that each of you will find something you don't like about the specifics of our proposal. It will demand that we make sacrifices and changes in every life. To some degree, the sacrifices will be painful—but so is any meaningful sacrifice. It will lead to some higher costs and to some greater inconvenience for everyone. But the sacrifices can be gradual, realistic, and they are necessary. Above all, they will be fair. No one will gain an unfair advantage through this plan. No one will be asked to bear an unfair burden.

We will monitor the accuracy of data from the oil and natural gas companies for the first time, so that we will always know their true production, supplies, reserves, and profits. Those citizens who insist on driving large, unnecessarily powerful cars must expect to pay more for that luxury.

We can be sure that all the special interest groups in the country will attack the part of this plan that affects them directly. They will say that sacrifice is fine as long as other people do it, but that their sacrifice is unreasonable or unfair or harmful to the country. If they succeed with

this approach, then the burden on the ordinary citizen, who is not organized into an interest group, would be crushing.

There should be only one test for this program—whether it will help our country. Other generations of Americans have faced and mastered great challenges. I have faith that meeting this challenge will make our own lives even richer. If you will join me so that we can work together with patriotism and courage, we will again prove that our great Nation can lead the world into an age of peace, independence, and freedom.

Thank you very much, and good night.

NOTE: The President spoke at 8 p.m. from the Oval Office at the White House. His remarks were broadcast live on radio and television.

Oil Portraits of Cabinet Secretaries

Memorandum for the Heads of the Cabinet Departments. April 18, 1977

Memorandum for the Secretary of State, the Secretary of the Treasury, the Secretary of Defense, the Attorney General, the Secretary of the Interior, the Secretary of Agriculture, the Secretary of Commerce, the Secretary of Labor, the Secretary of Health, Education, and Welfare, the Secretary of Housing and Urban Development, the Secretary of Transportation

The Office of Management and Budget has informed me of an outdated practice, that I believe should be discontinued.

As I understand it, past Cabinet Secretaries have commissioned oil portraits, at Government expense, as a method of maintaining an official, historical record of the line of succession of Cabinet Secretaries. Although the practice has existed for over a century, these portraits have become an unnecessary luxury costing anywhere from \$6,000 to \$12,000.

While this practice might have been justified in the past, color photographs to record the line of succession of Cabinet Secretaries appear more appropriate now. This alternative is consistent with my

commitment to save the taxpayer's dollars.

I am sure you will agree that this is another excellent opportunity to convey to the American people our sincere desire to revise wasteful spending practices. Therefore, I ask that you discontinue this practice and in the future use color photographs to record the line of succession.

JIMMY CARTER

NOTE: The text of the memorandum was released on April 19.

Depository Institutions Bill

Announcement of the Signing of H.R. 3365 Into Law, With a Statement by the President. April 19, 1977

The President has signed H.R. 3365, amending regulatory authority pertaining to depository institutions.

The bill extends the authority to regulate interest rates paid by depository institutions; reinstates, until October 31, 1978, the Federal Reserve banks' authority to purchase United States obligations directly from the Treasury; and provides broader powers for credit unions covered under the National Credit Union Act.

The President issued the following statement on signing the bill:

"This bill marks a step toward increasing the availability of mortgage loans, broadening the financial services and protection available to consumers, and encouraging a more competitive financial market.

"Toward these objectives, I note that this measure permits credit unions to make mortgage loans for up to 30 years and to offer a broader range of consumer services.

"The bill also extends Regulation Q for 9½ months. This extension will permit the

administration to examine Regulation Q in the context of our broader objectives: increasing consumer services, facilitating a steadier supply of mortgage credit, broadening competition, and protecting public confidence in the stability of financial institutions. In the weeks ahead, we will work closely with the Congress to determine the best approach to meet these goals."

NOTE: As enacted, H.R. 3365 is Public Law 95-22, approved April 19.

The statement was made available by the White House Press Office. It was not issued in the form of a White House press release.

NATIONAL ENERGY PLAN

*Address Delivered Before a Joint Session of the Congress.
April 20, 1977*

Mr. President, Mr. Speaker, Members of the Congress, and distinguished guests:

The last time we met as a group was exactly 3 months ago today, on Inauguration Day. We have had a good beginning as partners in addressing our Nation's problems.

But in the months ahead, we must work together even more closely to deal with the greatest domestic challenge that our Nation will face in our lifetime. We must act now—together—to devise and to implement a comprehensive national energy plan to cope with a crisis that otherwise could overwhelm us.

This cannot be an inspirational speech tonight. I don't expect much applause. It's a sober and a difficult presentation. During the last 3 months, I have come to realize very clearly why a comprehensive energy policy has not already been evolved. It's been a thankless job, but it is our job. And I believe that we have a fair, well-balanced, and effective plan to present to you. It can lead to an even better life for the people of America.

The heart of our energy problem is that we have too much demand for fuel that keeps going up too quickly, while production goes down. And our primary means of solving this problem is to reduce waste and inefficiency.

Oil and natural gas make up about 75 percent of our consumption in this country, but they only comprise about 7 percent in our reserves. Our demand for oil has been rising by more than 5 percent each year, but domestic oil supplies have been dropping more than 6 percent.

Therefore, our imports have risen sharply, making us more and more vulnerable if supplies are interrupted. But early in the 1980's, even foreign oil will become increasingly scarce. If it were possible for world demand to continue rising during the next few years at the rate of 5 percent a year, we could use up all the proven reserves in the entire world by the end of the next decade.

Our trade deficits are growing. We imported more than \$35 billion worth of oil last year, and we will spend much more than that this year. The time has come to draw the line.

We could continue to ignore this problem—as many have done in the past—but to do so would subject our people to an impending catastrophe. That's why we need a comprehensive national energy policy. Your advice has been an important influence as this plan has taken shape. Many of its proposals will be built on the legislative initiatives that you've taken in the Congress in the last few years.

Two nights ago, I spoke to the American people about the principles behind our plan and our specific goals for 1985:

- to reduce the annual growth rate in energy consumption by more than 2 percent;
- to reduce gasoline consumption by 10 percent;
- to cut imports of foreign oil to less than 6 million barrels a day, less than half the amount that we will be importing if we do not conserve;
- to establish a strategic petroleum reserve supply of at least a billion barrels, which will meet our needs for about 10 months;
- to increase our coal production by more than two-thirds, to over a billion tons a year;
- to insulate 90 percent of American homes and all new buildings; and
- to use solar energy in more than 2½ million American homes.

Now, I hope that the Congress will adopt these goals by joint resolution as a demonstration of our mutual commitment to achieve them.

Tonight I want to outline specific steps by which we can reach those goals. The proposals fall into these central categories: first, conservation; second, production; third, conversion; fourth, development; and, of

course, fairness or equity, which is a primary consideration in all our proposals.

We prefer to reach those goals through voluntary cooperation with a minimum of coercion. In many cases, we propose financial incentives which will encourage people to save energy and will harness the power of our free economy to meet our needs.

But I must say to you that voluntary compliance will not be enough—the problem is too large and the time is too short. In a few cases, penalties and restrictions to reduce waste are essential.

Our first goal is conservation. It's the cheapest, most practical way to meet our energy needs and to reduce our growing dependence on foreign supplies of oil. With proper planning, economic growth, enhanced job opportunities, and a higher quality of life can result even while we eliminate the waste of energy.

The two areas where we waste most of our energy are transportation and our heating and cooling systems.

Transportation consumes 26 percent of all our energy—and as much as half of that is waste. In Europe, the average automobile weighs 2,700 pounds; in our country, 4,100 pounds.

Now, the Congress has already taken fuel efficiency steps and set standards which will require new automobiles to have an average efficiency or mileage per gallon of 27.5 by 1985, instead of the 18 among new cars today. The entire fleet of cars is only 14 miles per gallon at this time.

To insure that this existing congressional mandate is met, I am proposing first of all a graduated excise tax on new gas guzzlers that do not meet Federal mileage standards. This gas [tax] will start low and then rise each year until 1985. In 1978, for instance, a tax of \$180 will be levied on a car getting only 15 miles per gallon, and for an 11-mile-per-gallon car the tax will be 450. That's at the beginning. By 1985, the taxes on these wasteful new cars with the same low mileage, 15 miles per gallon or 11 miles per gallon, will have risen to \$1,600 and \$2,500.

All the money collected by this tax on wasteful automobiles will be returned to consumers through rebates on automobiles that are more efficient than the mileage standards. We expect both better efficiency and also more automobile production and sales under this proposal. We will insure that American automobile workers and their families do not bear an unfair share of the burden. And of course, we will also work with our foreign trading partners to see that they are treated fairly.

Now I want to discuss one of the most controversial and most misunderstood parts of the energy proposal—a standby tax on automobile gasoline. Gasoline consumption represents half of our total oil usage.

We simply must save gasoline, and I believe that the American people can meet this challenge. It's a matter of patriotism and a matter of commitment.

Between now and 1980, we expect gasoline consumption to rise slightly above the present level. For the following 5 years, when we have the more efficient cars on the road, we need to reduce consumption each year to reach our targets for 1985.

I propose that we commit ourselves to these fair, reasonable and necessary goals and, at the same time, write into law a gasoline tax of an additional 5 cents per gallon that will automatically take effect each year that we fail to meet our annual targets in the previous year. As an added incentive, if we miss one year, but are back on the track the next year, then the additional tax should come off. Now, if the American people respond to this challenge, we can meet these targets. And under these circumstances, this gasoline tax will never have to be imposed. I know and you know that it can be done.

As with other taxes, we must minimize the adverse effects on our economy—we must reward those who conserve and penalize those who waste. Therefore, any proceeds from the tax—if it is triggered by excessive consumption—should be returned to the general public in an equitable manner.

I will also propose a variety of other measures to make our transportation system more efficient. One of the side effects of conserving gasoline, for instance, is that State governments who have a limited amount of tax per gallon collect less money through gasoline taxes. To reduce their hardships and to insure adequate highway maintenance, we should compensate States for this loss through the Highway Trust Fund.

The second major area where we can reduce waste is in our homes and buildings. Some buildings waste half the energy used for heating and cooling. From now on, we must make sure that new buildings are as efficient as possible and that old buildings are equipped, or “retrofitted,” with insulation and heating systems that dramatically reduce the use of fuel.

The Federal Government should set an example. I will issue an Executive order establishing strict conservation goals for both new and old Federal buildings—a 45-percent increase in efficiency for new buildings and a 20-percent increase in efficiency for old buildings by 1985.

We also need incentives, though, for those who own homes and businesses so that they will conserve. Those who weatherize buildings to make them more efficient would be eligible for a tax credit of 25 percent of the first \$800 invested in conservation and 15 percent for the next \$1,400.

If homeowners prefer, they may take advantage of a weatherization service which will be required from all regulated utility companies to offer. The utilities would arrange for contractors and provide reasonable financing to the homeowners. The customer would pay for the improvements through small, regular additions to the monthly utility bills. In many instances, these additional charges would be almost entirely offset by lower energy consumption brought about by energy savings.

Other proposals for conservation in homes and buildings include: first, direct Federal help for low-income residents; next, an additional 10-percent tax credit for business investments in conservation; third, Federal matching grants to nonprofit schools and hospitals; and public works money for weatherizing State and local government buildings.

While improving efficiency in our businesses and homes, we must also make electrical home appliances more efficient. I propose legislation that would, for the first time, impose stringent efficiency standards for household appliances by 1980.

We must also reform our utility rate structure. For many years, we have rewarded waste by offering the cheapest rates to the largest users. It's difficult for individual States to make such reforms because of the intense competition among States for new industry. The only fair way is to adopt a set of principles to be applied nationwide.

I am therefore proposing legislation which would require the following steps over the next 2 years: first, phasing out promotional rates and other pricing systems that make natural gas and electricity artificially cheap for high-volume users and which do not accurately reflect actual costs; next, offering users peak-load pricing techniques which set higher charges during the day when demand is great and lower charges during the day when demand is small. We also need individual meters for each apartment in new buildings instead of one master meter. Tests have shown that this will save 30 percent of the electrical cost in the apartment building.

Plans are already being discussed for TVA—the whole system—to act as a model in implementing such new programs as I have described to conserve energy.

One final step toward conservation is to encourage industries and utilities to expand what's called "cogeneration" projects, which capture

the steam which is now wasted from electrical power production. In Germany, for instance, 29 percent of total energy comes from cogeneration. In this country, formerly it was about 19 percent, but now it's only 4 percent in the United States. I propose a special 10-percent tax credit for investments in cogeneration.

Along with conservation, our second major strategy is production and rational pricing. We can never increase our production of oil and natural gas by enough to meet our demand, but we must be sure that our pricing system is sensible, that it discourages waste and encourages exploration and new production.

One of the principles of our energy policy is that the price of energy should reflect its true replacement cost as a means of bringing supply and demand into balance over the long run. Now, realistic pricing is especially important for our scarcest fuels—oil and natural gas. However, proposals for immediate and total decontrol of domestic oil and natural gas prices would be disastrous for our economy and also for working American families. It would not solve the long-range problems of dwindling supplies.

The price of newly discovered oil will be allowed to rise over a 3-year period to the 1977 world market price, with allowances from then on for inflation. The current return to producers for previously discovered oil, that which already exists, would remain the same, except for adjustments because of inflation.

Because fairness is an essential strategy of our energy policy, we do not want to give producers windfall profits beyond the incentives that they do need for exploration and production. But we are simply misleading ourselves if we do not recognize the replacement costs of energy in our pricing system.

Therefore, I propose that we phase in a wellhead tax on existing supplies of domestic oil, equal to the difference between the present controlled price of oil and the world price, and return that money collected by this tax to the consumers and the workers of America.

We should also end the artificial distortions in natural gas prices in different parts of the country which have caused people in the producing States to pay exorbitant prices, while creating shortages, unemployment, and economic stagnation, particularly in the Northeast. We must not permit energy shortages to divide or Balkanize our country.

We want to work with the Congress to give gas producers an adequate incentive for exploration, working carefully toward deregulation of newly discovered gas as market conditions permit.

I propose now that the price limit for all new gas sold anywhere in this country be set at the price of the equivalent energy value of domestic crude oil, beginning next year, 1978. This proposal will apply both to new gas and to expiring intrastate contracts. It would not affect existing contracts that presently are in effect.

We must be sure that oil and natural gas are not wasted by industries that could use coal. Our third strategy will be, therefore, conversion from scarce fuels to coal wherever possible.

Although coal now provides only 18 percent of our total energy needs, it makes up 90 percent of our energy reserves. Its production and use do create environmental difficulties, but I believe that we can cope with them through strict strip mining and clean air standards.

To increase the use of coal by 400 million tons or about 65 percent—we now use about 600 million tons—in industry and utilities by 1985, I propose a sliding scale tax, starting in 1979, on large industrial users of oil and natural gas. Fertilizer manufacturers, crop dryers, and so forth, which must use gas, would be exempt from the tax. Utilities would not be subject to the tax until 1983, because it will simply take them longer to convert to coal.

I will also submit proposals for expanded research and development in coal. We need to find better ways to mine it safely and to burn it cleanly and to use it to produce other clean energy sources like liquified and gasified coal. We have already spent billions of dollars on research and development on nuclear power, but very little on coal. Investments here can pay rich dividends.

Even with this conversion effort, we still face a gap between the energy we need and the energy that we can produce or import. Therefore, as a last resort, we must continue to use increasing amounts of nuclear energy.

We now have 63 nuclear powerplants producing about 3 percent of our total energy, and we also have about 70 more nuclear powerplants which are licensed for construction. Domestic uranium supplies can support this number of plants, judged by the most conservative estimate, for another 75 years at least. Effective conservation efforts can minimize the shift toward nuclear power. There is no need to enter the plutonium age by licensing or building a fast breeder reactor such as the proposed demonstration plant at Clinch River. We must, however, increase our capacity to produce enriched uranium fuels for light water, nuclear powerplants,

using the new centrifuge technology, which consumes only about one-tenth the energy of existing gaseous diffusion plants.

We must also reform the nuclear licensing procedures. New plants should not be located near earthquake fault zones or near population centers. Safety standards should be strengthened and enforced; designs standardized as much as possible. And we need more adequate storage for spent fuel supplies.

However, even with the most thorough safeguards, it should not take 10 years to license a plant. It only takes 3 years to license, design, and build a plant in a country like Japan. I propose that we establish reasonable, objective criteria for licensing, and that plants which are based on a standard design not require extensive, individual design studies before the license is granted.

Our fourth strategy is to develop permanent and reliable new energy sources. The most promising, of course, is solar energy, for which most of the technology is already available. Solar water heaters and solar space heaters are ready now for commercialization. All they need is some initiative to initiate the growth of a large new market in our country.

Therefore, I am proposing a gradually decreasing tax credit, to run from now through 1984, for those who purchase approved solar heating equipment. Initially, it would be 40 percent of the first \$1,000 and 25 percent of the next \$6,400 invested to provide solar heating for a home.

Increased production of geothermal energy can be insured by providing the same tax incentives as exist for gas and oil drilling operations.

Our guiding principle as we developed this plan was that above all it must be fair. None of our people must make an unfair sacrifice. None should reap an unfair benefit. The desire for equity is reflected throughout our plan:

- in the wellhead tax, which encourages conservation but is returned to the public;
- in a dollar-for-dollar refund of the wellhead tax as it affects home heating oil, particularly in the Northeast;
- in reducing the unfairness of natural gas pricing;
- in insuring that homes will have the oil and natural gas they need, while industry turns toward the more abundant coal that can also suit its needs;
- in basing utility prices on true cost, so every user pays a fair share;
- in the automobile tax and rebate system, which rewards those who save our energy and penalizes those who waste it.

I propose one other step to insure proper balance in our plan. We need more accurate information about the supplies of energy and about the companies which produce energy.

If we are asking sacrifices of ourselves, we need facts that we can count on. We need an independent information system that will give us reliable data about energy reserves and production, emergency capabilities, and financial data from the energy producers.

I happen to believe in competition, and we don't have enough of it right now.

During this time of increasing scarcity, competition among energy producers and distributors must simply be guaranteed. I recommend that individual accounting be required from energy companies for production, refining, distribution, and marketing—separately for domestic and foreign operations. Strict enforcement of the antitrust laws based on this data may prevent the need for divestiture.

Profiteering through tax shelters should be prevented, and independent drillers should have the same intangible tax credits as the major corporations.

The energy industry should not reap large, unearned profits. Increasing prices on existing inventories of oil should not result in windfall gains but should be captured for the people of our country.

Now, we must make it clear from now on to everyone that our people, through their Government, will now be setting the energy policy for our country.

The new Department of Energy, which the Congress is already considering, should be established without delay. Continued fragmentation of Government authority and responsibility of our energy program for this Nation is both dangerous and unnecessary.

Two nights ago, I said that this difficult effort which I have outlined would be the moral equivalent of war. If successful, this effort will protect our jobs, it will protect our environment, it will protect our national independence, it will protect our standard of living, it will also protect our future.

Our energy policy will be innovative, but it will be fair and predictable. It will not be easy; it will demand the best of us—our vision, our dedication, our courage, and our sense of common purpose.

This is a carefully balanced program, depending for its fairness on all its major component parts. It will be a test of our basic political strength and ability.

But we've met challenges before, and our Nation has been the stronger after the challenge was met. That's the responsibility that we face—you in the Congress, the members of my own administration, and all the people of our country. I am confident that together we will succeed.

Thank you very much, and good night.

NOTE: The President spoke at 9:05 p.m. in the House Chamber at the Capitol. He was introduced by Thomas P. O'Neill, Jr., Speaker of the House of Representatives. The address was broadcast live on radio and television.

National Energy Program

Fact Sheet on the President's Program. April 20, 1977

The President tonight addressed a joint session of Congress and presented the outline of a national energy plan to be submitted to the Congress next week.

I. NATIONAL ENERGY POLICY PRINCIPLES, STRATEGIES, AND GOALS

A. PRINCIPLES

The National Energy Plan is based on 10 fundamental principles.

1. We can have an effective and comprehensive energy policy only if the Government takes responsibility for it and if the people understand the seriousness of the challenge and are willing to make sacrifices.

2. Healthy economic growth must continue. Only by saving energy can we maintain our standard of living and keep our people working.

3. We must protect the environment. Our energy problems have the same cause as our environmental problems—wasteful use of resources. Conservation helps us solve both at once.

4. We must reduce our vulnerability to potentially devastating embargoes. We can protect ourselves from uncertain sup-

plies by reducing our demand for oil, making the most of our abundant resources such as coal, and developing a strategic petroleum reserve.

5. We must be fair. Our solutions must ask equal sacrifices from every region, every class of people, every interest group. Industry will have to do its part to conserve, just as consumers will. The energy producers deserve fair treatment, but we will not let the energy companies profiteer.

6. The cornerstone of our policy is to reduce demand through conservation. Our emphasis on conservation is a clear difference between this plan and others which merely encouraged crash production efforts. Conservation is the quickest, cheapest, most practical source of energy.

7. Prices should generally reflect the true replacement cost of energy. We are only cheating ourselves if we make energy artificially cheap and use more than we can really afford.

8. Government policies must be predictable and certain. Both consumers and producers need policies they can depend on so they can plan ahead.

9. We must conserve the fuels that are scarcest and make the most of those that are more plentiful. We cannot continue to use oil and gas for 75 percent of our consumption when they make up only 8 percent of our domestic reserves. We need to shift to plentiful coal while taking care to

protect the environment, and to apply stricter safety standards to nuclear energy.

10. We must start now to develop the new, unconventional sources of energy we will rely on in the next century.

B. STRATEGY

1. The objectives of the National Energy Plan are:

a. In the short term, to reduce dependence on foreign oil and to limit supply disruptions.

b. In the medium term, to weather the eventual decline in the availability of world oil supplies caused by capacity limitations.

c. In the long term, to develop renewable and essentially inexhaustible sources of energy for sustained economic growth.

2. The major strategies for reaching these objectives are:

a. Implementation of an effective conservation program for all sectors of energy use so as to reduce the rate of demand growth to less than 2 percent, thereby helping to achieve both the short- and medium-term goals.

b. The conversion of industry and utilities using oil and natural gas to coal and other more abundant fuels to reduce imports and make natural gas more widely available for household use, thereby helping to achieve both the short- and medium-term goals.

c. A vigorous research and development program to provide renewable and essentially inexhaustible resources to meet United States energy needs in the next century, thereby helping to achieve the long-term goal.

C. NATIONAL ENERGY GOALS

A national energy plan is not something that can be adopted and then forgotten. There is no quick or easy solution to the energy problem.

The President will propose as part of his comprehensive energy legislation the following energy goals to be achieved between now and 1985. The Congress will be requested to support these goals by enacting a Joint Resolution of the Senate and House committing the Nation to:

—reducing annual growth of United States, energy demand to less than 2 percent;

—reducing oil imports from a potential level of 16 million barrels a day to less than 6 million barrels, about one-eighth of total energy consumption;

—achieving a 10 percent reduction in gasoline consumption;

—insulating 90 percent of all residences and other buildings;

—increasing coal production on an annual basis by at least 400 million tons;

—using solar energy in more than 2½ million homes.

II. EFFECTS OF THE PRESIDENT'S ENERGY PLAN

The President's energy plan, if implemented effectively, is projected to save about 4.6 million barrels of oil per day (MMB/D) of oil over the amount of oil we would otherwise require by 1985. These savings would reduce oil imports to about 7 MMB/D by 1985, a 40-percent decrease. The President has established a goal of reducing imports to below 6 MMB/D, which would require voluntary conservation efforts by the American public.

Based on econometric projections, the President's program is forecasted to have small, but generally positive impacts on the economy. The program would stimulate about 100,000 jobs by 1985. It would increase GNP by 0.7 percent in 1978 and about 0.4 percent in 1985. It would increase the GNP deflator by about 0.4 percent annually through 1985. Even if the

standby gas tax were triggered. GNP would still increase and the inflation impact would still be small.

III. THE PRESIDENT'S ENERGY PROGRAM

The elements of the total program are summarized in the pages that follow.

A. CONSERVATION

1. *Transportation*

a. *Gas-guzzler tax and rebate* (legislative): Because present law and regulations are insufficient to assure that needed conservation will take place in this sector, a graduated excise tax would be imposed on new automobiles and light duty trucks whose fuel economy fails to meet the applicable fuel economy standard under existing law. Graduated rebates would be given for automobiles and light duty trucks whose fuel economy is better than the standard.

The tax schedule would be fixed by statute, and taxes would begin in model year 1978, increase each year through 1985, and remain constant thereafter. The rebate schedule will be adjusted each year in advance by the IRS so that total estimated rebate payments will not exceed the estimated tax receipts. The proposed tax and rebate table is attached as Appendix A.

Electric vehicles will be eligible for the maximum rebate. Rebates will be available for vehicles manufactured in the United States and Canada. Rebates would be available for vehicles manufactured in other countries on the basis of treaties or executive agreements entered into between these countries and the United States. The President's Special Representative for Trade Negotiations will work with other nations to develop equitable rebate agreements.

b. *Auto efficiency standards* (administrative): In order to continue the progress

made to date on automobile fuel efficiency, the Secretary of Transportation will begin the analysis necessary to exercise his authority to raise mileage standards above 27.5 mpg after 1985.

c. *55-mph speed limit* (administrative): The President has requested that the national 55-mph speed limit be vigorously enforced by States and municipalities. The Secretary of Transportation may, if he finds it necessary, withhold highway trust fund revenues from States not enforcing the limit.

d. *Standby gasoline tax* (legislative): A standby gasoline tax is proposed to go into effect if targets for gasoline consumption are not met. The targets take into account the effects of the gas-guzzler tax and compliance with mandatory fuel economy standards for new cars, and assume some additional reduction in consumption through such items as observing speed limits and more carpooling.

The goals, listed below permit limited increases in gasoline consumption until 1980; from 1980 to 1987, the goal constitutes an achievable reduction in gasoline consumption despite increases in total miles traveled.

If gasoline consumption nationwide in 1978 exceeds the target set for 1978 by 1 percent or more, a 5-cents-per-gallon tax will be imposed on January 15, 1979. In any subsequent year, the tax will amount to 5 cents per gallon for each percent that consumption in the prior year exceeded the target, except that the tax could not be increased or reduced more than 5 cents per year. The tax will rise, remain the same, or fall, depending on the prior year's record. The cumulative amount of taxes applicable in any one year may not exceed 50 cents per gallon.

Any funds collected would be rebated to the American people progressively through the Federal income tax system

and by direct payments to people who do not pay taxes.

e. Expand use of Highway Trust Fund: By reducing gasoline consumption, State revenues from gasoline taxes would also be reduced. These funds are used by the States for repair and maintenance of highways. The administration will develop a program which will reduce their hardships and, to insure adequate highway maintenance, will compensate them for this loss through sources such as the Highway Trust Fund.

f. Efficiency standards for light duty trucks (administrative): The Secretary of Transportation is authorized under the Energy Policy and Conservation Act to promulgate efficiency standards for trucks weighing 10,000 pounds or less. He is currently in the process of promulgating standards for trucks weighing 6,000 pounds or less. The President has directed the Secretary to commence a proceeding to cover trucks weighing more than 6,000 pounds.

g. Removal of 10-percent excise tax on intercity buses (legislative): Since buses, like railroads, are fuel-efficient forms of transportation, the current 10-percent excise tax on intercity buses would be removed to encourage expansion in use of this form of transportation.

h. Tax on aviation and marine fuel (legislative): The existing Federal excise tax preferences for general aviation and motorboat fuel would be eliminated. This change would not affect commercial airlines or commercial fishermen. The tax on aviation fuel would increase from 7 to 11 cents a gallon. The current 2 cents rebate for motorboat fuel would be collected and transferred to the Land and Water Conservation Fund.

i. Federal Energy Management Program

—The President will direct Federal agencies to alter their auto purchasing

practices so that new cars purchased by the Government will, on the average, exceed the average fuel economy standard under the EPCA by at least 2 mpg in 1978, and by at least 4 mpg in 1980 and thereafter (administrative).

—Legislation will be proposed to initiate a Federal van pooling program. This program will demonstrate the energy conservation and pollution control potential of this form of commuter transportation by the largest employer in the Nation. About 6,000 vans will be purchased by the Government and made available for use by Federal employees. All costs of the program will be repaid to the Federal Government by the riders (legislative).

2. Buildings

a. National Residential Energy Conservation Program for Existing Buildings

—Homeowners will be entitled to a tax credit of 25 percent of the first \$800 and 15 percent of the next \$1400 spent on approved conservation measures. The credits will be available for measures undertaken between April 20, 1977, and December 31, 1984 (legislative).

—State public utility commissions will be required to direct utilities to offer their customers a residential energy conservation service performed by the utility and financed by loans repaid through monthly utility bills. The utilities must also inform customers of other available residential conservation programs and how to obtain financing, materials, and labor to perform residential conservation themselves. Other fuel suppliers would be encouraged to offer similar programs, with the help of their State energy offices (legislative).

—The Federal Government will remove the barriers to opening a secondary market for residential energy conservation loans through the Federal Home Loan Mortgage Corporation and the Federal National Mortgage Association. This action should help to ensure that capital is

available to homeowners at reasonable interest rates for residential energy conservation through private lending institutions (legislative).

—Funding for the existing low-income residential conservation program (weatherization) will be increased to \$130 million in fiscal year 1978; and \$200 million in FY 1979 and in FY 1980 (budget).

—The Secretary of Labor will take all appropriate steps to ensure that recipients of funds under the Comprehensive Employment and Training Act (CETA) will supply labor for the residential conservation program. The CETA program's employment levels, as proposed by the administration, would meet the labor requirements of the program (administrative/budget).

—The Secretary of Agriculture will vigorously implement a rural home weatherization program in cooperation with the Nation's 1,000 rural electric cooperatives, with loans provided through the Farmer's Home Administration (administrative).

—Businesses will be entitled to a 10-percent tax credit, in addition to the existing investment tax credit, for investments made in approved conservation measures (legislative).

—A Federal grants program will assist public and nonprofit schools and hospitals in installing conservation measures, funded at the rate of \$300 million per year for 3 years (legislative/budget).

—The Secretary of Commerce will encourage State and local governments to include items that will contribute to energy conservation in their proposals under the Department's Local Public Works program (administrative).

Except for participation by electric and gas utilities, the residential energy conservation program is voluntary. However, if the programs described above are insufficient in achieving widespread residential energy conservation, then manda-

tory measures will be considered; e.g., a requirement that homes must be insulated before they are sold.

b. *Mandatory efficiency standards for new buildings* (administrative/budget): The Secretary of Housing and Urban Development will advance by 1 year, from 1981 to 1980, the effective date of the mandatory standards required for new residential and commercial buildings by the Energy Conservation and Production Act, with funds to be made available to States to help them in this effort.

c. *Federal buildings* (administrative/budget): The President will direct all Federal agencies to adopt procedures which aim at reducing energy use per square foot by 1985 by 20 percent from 1975 energy consumption levels for *existing* Federal buildings and by 45 percent for *new* Federal buildings. Investments which are not cost-effective would not be funded under the program. The Director of the Office of Management and Budget and the Administrator of the Federal Energy Administration will implement this program.

d. *Solar energy in Federal buildings* (legislative/budget): The Federal Government will, in addition, spend up to \$100 million over the next 3 years to add solar hot water and space heating to suitable Federal structures to help demonstrate the commercial potential of such measures.

3. *Appliances* (legislative): The present appliance efficiency program will be strengthened. Voluntary targets will be replaced by mandatory standards on certain home appliances, such as air conditioners, furnaces, water heaters and refrigerators, as soon as possible. The program under existing law to develop test procedures and to establish labeling requirements for appliances will be continued.

4. *Industrial conservation* (legislative) : Legislation will be proposed for a 5-year, 10-percent investment tax credit for investment in approved energy-saving industrial equipment, including solar energy equipment, that could be incorporated in existing plants. This credit would be in addition to the present 10-percent tax credit.

5. *Cogeneration of electricity and process steam* (legislative) :

—In order to utilize effectively the enormous quantities of heat wasted in the production of electric power, legislation will be submitted to encourage cogeneration—production of electric power and other useful forms of energy (such as heat or process steam) from the same facility.

—An exemption from Federal and State public utility regulations would be available to industrial cogenerators.

—The Federal Power Commission would be required to establish procedures to assure fair rates for both sale of power by cogenerators and for purchase of backup power.

—Industries using cogeneration would be entitled to intertie with utility transmission facilities to sell surplus power and buy backup power at fair prices.

—A tax credit of 10 percent, in addition to the current 10-percent tax credit, would be provided for the purchase of cogeneration equipment. Those industries which invest in equipment could be exempted from the requirement to convert from oil and gas in cases where an exemption is necessary to stimulate cogeneration.

6. *District heating* (administrative/budget) :

—State public utility commissions will be encouraged to use district heating as a criterion in siting certification and rate-making for new generating facilities.

—The Administrator of the Energy Research and Development Administra-

tion will initiate in FY 1978 a new demonstration program to make use of waste heat generated by ERDA's uranium enrichment plants at Oak Ridge, Tenn., Paducah, Ky., and Portsmouth, Ohio. The recovered waste heat would be used on site and by nearby households, industry, and farms.

7. *Utility rate reform* (legislative) : Conventional utility pricing policies discourage conservation. The smallest users commonly pay the highest per unit price due to practices such as declining block rates. Rates often do not reflect the costs imposed on society by the actions of utility consumers. The result is waste and inequity. The President will therefore submit legislation which contains the following provisions:

—State public utility commissions must require their regulated electric utilities to phase out and eliminate promotional, declining, and other rates for electricity that do not reflect cost incidence.

—To shift energy use from peak to nonpeak periods, electric utilities would be required to offer daily off-peak rates to each customer who is willing to pay metering costs and to offer lower rates to customers willing to have their power interrupted at times of highest peak demand.

—Master metering for electricity would generally be prohibited in new structures.

—State public utility commissions would require gas utilities to eliminate declining block rates and to implement such rules as FPC may prescribe with respect to master metering, summer-winter rate differentials, and interruptible rates.

—By amendment to the Federal Power Act, the Federal Power Commission would be authorized to require interconnection and power pooling between utilities even if they are not presently under FPC jurisdiction, and to require "wheeling" (the transmission of power between

two noncontiguous utilities across a third utility's system).

8. *Taxes on oil and natural gas*: The oil and natural gas pricing and tax policy discussed in Part F will achieve substantial savings in natural gas and petroleum consumption. The oil and gas consumption taxes are directed primarily at industrial and utility use, and will encourage investments by industry to use these scarce fuels more efficiently.

B. MANAGEMENT INFORMATION SYSTEMS

—To carry out the President's energy plan and to protect the energy consuming public generally, the Government needs more detailed and reliable information on oil and gas reserves, on oil company operations, and on local energy supplies and demand.

—Accordingly, a three-part energy information program will be proposed. They represent the beginning of implementation of a National Energy Information System which will, when fully developed, provide a comprehensive and authoritative source of energy information.

1. *Petroleum Production and Reserves Information System* (administrative/budget): The proposed department of energy, upon its creation, would take over the audit and verification roles now performed by the American Gas Association and the American Petroleum Institute. These industry associations and their member companies would be required to open their reserve estimation process to Federal officials, who would supervise the collection and preparation of reserve data. Information collected and submitted through this system would be randomly audited at the company level. Existing law regarding the protection of confidential, proprietary information would not be

changed. This system will consolidate the reserves information gathering activities of Government agencies, where possible, and will eliminate redundant reporting which now occurs among the various agencies.

2. *Petroleum Company Financial Data System* (administrative/budget): This system would require all large companies, and a sample of small firms, engaged in crude oil or natural gas production to submit detailed financial information to the Federal Government. Companies would have to conform, ultimately, to a uniform system of accounts and to report capital expenditures and operating results by geographic region and type of fuel. They would be required to submit information relating to functional areas, including refining, production, marketing, and pipelines, and information relating to foreign as well as domestic operations. This comprehensive reporting system would enable the Government to assess the performance of individual firms and the industry, as a whole, providing accountability of vertical operations of the integrated companies. Existing law regarding the protection of confidential, proprietary information would not be changed.

3. *Emergency Management Information System* (administrative/budget): This system would provide Government with the information on local energy supplies and demand needed to respond to an oil embargo, a natural gas shortage, or other energy emergency. Examples of potential future shortages include possible electrical power shortages in the West this coming summer and natural gas shortages in future winters. State energy offices, assisted by the Federal Government, would collect and maintain the data.

C. INDUSTRY COMPETITION

—Promotion and maintenance of competition is a critical aspect of public

policy. Since energy is an essential commodity for all Americans, effective competition in the energy industries is a matter of vital concern. The President's energy plan calls for continuous vigilance to ensure that the structure, behavior, and performance of the energy industries are vigorously competitive.

—The Under Secretary for Policy and Evaluation within the proposed department of energy would have prime responsibility to ensure that all policies and programs of the department promote competition. The department of energy would seek to preserve the competitive viability of independents in all segments of the energy industry.

—In recent years trends and practices in the energy industries have created substantial public concern. Attention has focused particularly on the oil and natural gas industry, but also on situations in other energy industries, such as coal and uranium, joint ventures, and the international activities of the major multinational firms.

—Horizontal diversification by oil and gas producers, particularly into the coal industry, has aroused fears that the major firms will be able to restrict the development of alternative fuel sources. The existence of such power could be very detrimental to the Nation as it increases its reliance on coal, uranium, and renewable energy sources. The trend of oil and gas company entry into coal mining merit continuous close attention.

—From information available at the present time, it does not appear that new laws mandating either vertical or horizontal divestiture are required in order to promote or maintain competition in the energy industries. That conclusion is subject to change. If it should appear that there are anti-competitive problems in the energy industries that cannot be reached under current laws, new legislation would be proposed.

D. STATE AND LOCAL GOVERNMENT PARTICIPATION

—A National Energy Plan can be built only on a foundation of partnership and understanding among the Federal Government, the States, local governments, and the Nation's Indian tribes, which own a substantial part of the Nation's energy resources.

—The President is committed to ensuring that no State, local community, or Indian tribe suffers as a result of energy development. In order to assess the adequacy of existing impact assistance programs and make certain that there are no gaps, he has ordered that his assistant for energy and the Director of OMB undertake a careful review of such programs. If gaps are found to exist in coverage, legislation to remedy those problems will be proposed.

E. ASSISTANCE FOR LOW-INCOME PERSONS

Government at all levels has the responsibility for protecting low-income citizens from the most severe effects of the energy crisis. The plan contains several programs to carry out the responsibility.

—The weatherization program, by insulating large numbers of low-income homes, would protect low-income people not only from the cold but also from rising fuel bills. The rebate system for the well-head tax on oil and the standby gasoline tax would distribute funds to low-income persons in a progressive manner. The price controls on natural gas and the allocation of high cost sources to industry will protect low-income consumers whose homes are heated with natural gas. The price controls on oil and the rebate system to exempt home heating oil from the impact of taxes on oil will protect low-income consumers whose homes are heated with oil. For the longer run, pro-

tection for low-income people from the gradually increasing cost of energy, lies in a reformed welfare system on which the administration is at work.

—The remaining major problem is the possibility that the Nation will experience future supply disruptions, such as the natural gas shortage last winter or another oil embargo. Such events could cause temporary, but sharp increases in the cost of basic energy in some regions, or to users of particular fuels. Such increases are particularly harmful to low-income people, who have little or no discretionary income with which to meet energy price rises. Present programs have deficiencies in meeting these emergency needs. The President has, therefore, directed the Secretary of Health, Education, and Welfare to complete work on a revised emergency assistance program for prompt submission to the Congress.

F. OIL AND NATURAL GAS

—Oil and natural gas account for three-quarters of the Nation's energy needs, yet constitute less than 8 percent of current domestic energy reserves. These fuels are priced domestically below their marginal replacement costs; as a result, the Nation uses them wastefully with little regard to their true value.

—The Federal Government must provide for prices that provide adequate incentives for producers while preventing industry from receiving windfall profits. Price controls will protect consumers from profiteering by producers, while taxes on utility and industrial use of oil and gas will encourage conservation and conversion to coal. The residential sector is sheltered as the plan would keep natural gas prices to residential users down and provide tax rebates for home oil use.

1. *Oil pricing* (legislative): The President is committed to the retention of do-

mestic oil price controls for the foreseeable future to prevent windfall profits for oil producers who would otherwise be able to charge the OPEC-determined world price of oil. The basic pricing mechanism adopted by the Energy Policy and Conservation Act would be revised and extended to create a new long-range oil pricing system which would:

- continue indefinitely the current price ceilings of \$5.25 and \$11.28 per barrel for previously discovered oil, subject only to escalation at the general rate of inflation;
- allow newly discovered oil to rise over a 3-year period to the current world price (adjusted for the rate of inflation); thereafter, newly discovered oil would continue to be priced at the 1977 world price with adjustments for any domestic increases in the general rate of inflation;
- define newly discovered oil as oil from a well drilled more than 2½ miles from an existing onshore well as of April 20, 1977, or more than 1,000 feet deeper than any well within any 2½ mile radius. New oil offshore will be limited to oil from lands leased after April 20, 1977;
- any price increases for any tier in excess of the increases in the general rate of inflation recommended by the executive branch would be subject to congressional disapproval before becoming effective;
- incremental tertiary recovery from old fields and stripper oil would be free of price controls.

2. *Oil taxes* (legislative): All domestic oil would become subject to a crude oil equalization tax applied in three equal stages beginning on January 1, 1978. When fully phased in, the tax per barrel would equal the difference between the controlled domestic price and the world

price. The second tax installment in 1979 would bring all domestic crude prices up to the \$11.28 tier, and the third increment would bring it to the world price in 1980. Once the tax is fully in place, it would rise with world oil prices, except that authority would exist to discontinue an increase if the world price increased significantly faster than the general level of inflation. The net funds collected as a result of this tax would be returned to the public, on a per capita basis, in the form of tax credits or direct payments for those who have no tax liability.

The oil tax would provide no net gain to the Treasury and no net loss to consumers as a group, while establishing a more realistic energy pricing system. Once the tax is fully in effect, all domestic oil would have approximately the same price (after tax) as the world price, the entitlements program would be terminated, and certain related regulatory activities could be phased out.

3. *Natural gas pricing* (legislative): Current pricing policy evolved at a time when gas was a surplus byproduct of oil. As a result it is now the Nation's most underpriced and oversold fuel. By helping bring natural gas supply and demand back into balance, this pricing proposal is an important first step toward deregulation. If the oil and gas pricing and taxing initiatives in this plan succeed, it may be possible to return to a market-determined price for new natural gas.

The new gas pricing policy provides prices for new gas that will reflect future costs and risks associated with finding new supplies, recognizes that the United States constitutes a single market for natural gas, and continues controls on old gas.

Specifically, this proposal would:

- subject all new gas, sold anywhere in United States, to a price limitation of the BTU equivalent of the

average refiner acquisition cost (before tax) of all domestic crude oil. That price limitation would be approximately \$1.75 per Mcf at the beginning of 1978; the interstate-intrastate distinction would disappear for new gas;

- define new natural gas using the same standards as are used to define newly discovered oil (2½ miles, 1,000 feet, new leases);
- guarantee price certainty at current levels for currently flowing gas, with adjustments to reflect inflation;
- authorize the establishment of higher incentive pricing levels for specific categories of high cost gas;
- allow gas made available at the expiration of existing interstate contracts or by production from existing reservoirs in excess of contracted volumes to qualify for a price no higher than the current \$1.42 Mcf ceiling adjusted for inflation; gas made available under the same circumstances from existing intrastate production would qualify for the same price as new gas; i.e., \$1.75 per Mcf at the beginning of 1978;
- allocate the cost of the more expensive new gas to industrial users, not to residential and commercial users;
- extend Federal jurisdiction to SNG facilities guaranteeing them a reasonable rate of return.

This pricing mechanism would not affect the existing intrastate contracts. Because the Nation will remain vulnerable to natural gas supply emergencies during the coldest months of the year, the President will propose the emergency gas allocation authority be extended for 3 years.

4. *Other oil and gas measures*

a. *Alaskan crude pricing* (legislative):

Inclusion of North Slope oil in the domestic composite price under the current

provisions in EPCA would introduce a degree of unnecessary uncertainty into domestic crude oil pricing. This is because of the large volume of new Alaskan oil that would initially be moving into the composite average at a wellhead price anticipated to be considerably below the current average. Under the proposed amendments and extension of EPCA, this problem would be eliminated. The \$5.25, \$11.28, and new oil pricing tiers, adjusted for inflation, would be substituted for the composite average limitation. Alaskan oil would be subject to an \$11.28 wellhead ceiling price, but would be treated as foreign oil for purposes of the entitlements program. New Alaskan oil finds would be subject to the new oil wellhead price.

b. *Elk Hills production* (legislative): Legislation will be sought to limit production from Elk Hills Naval Petroleum Reserve to a ready reserve level at least until the West-to-East transportation systems for moving the Alaskan oil surplus are in place and until California refiners have completed a major refinery retrofit program to enable more Alaskan oil to be used in California.

c. *Shale oil* (administrative): Because of the high risks and costs involved in shale oil development, shale oil will be entitled to receive the world price of oil in the United States.

d. *Oil stockpile* (administrative/budget): We plan to expand the Strategic Petroleum Reserve to 1 billion barrels from the currently projected 500 million barrels. Such a reserve would enable the United States to withstand a serious supply interruption for 10 months. In addition, rationing and conservation contingency plans will be submitted to the Congress for its review. The FEA will undertake an analysis of additional contingency plans which would be placed into effect during a severe supply interruption.

e. *Liquefied natural gas (LNG)* (administrative): The limitation on the importation of LNG imposed by the previous administration is being replaced by a more flexible policy that will provide for a case-by-case analysis of each project. Strict siting criteria would foreclose the location of future tanker docks in densely populated areas.

f. *Synthetic natural gas (SNG)* (administrative): Current policy discourages construction of SNG facilities. A Federal task force will be established to identify areas where additional SNG plants should be built. The FEA will ensure that plants built in those areas will receive priority for SNG feedstocks.

g. *Gas development* (administrative): Federal research and development programs on gas from geopressurized zones will be greatly accelerated. Efforts to develop gas from Devonian shale will also be expanded.

h. *Outer Continental Shelf* (administrative): The Congress is now considering amendments to the OCS Lands Act which would provide additional authorities to ensure that OCS development is consistent with national energy policies, particularly by providing for a flexible leasing program using bidding systems that enhance competition, assure a fair return to the public, and promote full development of OCS resources. The administration supports these amendments.

i. *Gasoline decontrol* (administrative): Gasoline prices have never reached their allowable controlled ceilings, and marketers have contended for some time that deregulation of gasoline would increase competition by allowing them to shop among suppliers.

In order to assure the maintenance of such competition, the administration will support legislation similar in concept to the current "Dealer Day in Court" stat-

ute that protects service station dealers from arbitrary cancellation of their leases by major oil suppliers.

In addition, the administration currently hopes to eliminate gasoline price controls and allocation regulations at the end of the peak driving season this coming fall. Gasoline prices and market competition will be closely monitored and controls will be reimposed if prices rise above a predetermined trigger level. If this action is taken, it would permit the elimination of controls while protecting consumers.

j. *Tax change* (legislative): A competitive problem has resulted from an effect of the Tax Reform Act of 1976, which changed the tax treatment of intangible drilling costs. Some independent oil and gas producers have been deprived of a portion of the tax reduction for such expenses, while the major corporate producers continue to enjoy the full deduction. This anomaly should be removed. As part of the President's program for extending oil and gas price controls, the administration would urge that independent oil and gas producers receive the same tax treatment of intangible drilling costs as their corporate competitors, the major oil companies. Investors who finance oil and exploration in order to obtain a tax shelter for income earned in other occupations should not, however, receive such a benefit.

G. COAL, NUCLEAR, AND HYDROELECTRIC POWER

Even with vigorous conservation, America's demand for energy will continue to grow for the next decade. Although the United States will eventually make extensive use of solar and other nonconventional energy sources, it will have to rely, for at least the next two decades, on the conventional sources now at hand: oil, natural gas, coal, nuclear power, and hydroelectric power.

1. *Oil and natural gas users tax* (legislative): In order to stimulate the shift away from oil and gas toward coal and the conservation of oil and gas used by utilities and industry, legislation will be submitted which would do the following:

—Beginning in 1979, each industrial user of natural gas (except fertilizer manufacturers and certain agriculture users) would be taxed an amount equal to the difference between his average cost of natural gas and a price target keyed to current price of distillate oil. The target level for the first year's tax in 1979 would be \$1.05 below the BTU equivalent price of distillate. The target price would rise to equal the distillate price in 1985 and beyond. Thus, in 1979, an industrial user who paid \$1.65 per Mcf would pay a tax of \$.30 per Mcf to bring the total cost of gas up to the target level of \$1.95 per Mcf, assuming the BTU equivalent of distillate is \$3.00. By 1985, the target level would rise to approximately \$3.30 per Mcf, resulting in an average tax of \$1.10 per Mcf based on a projected actual gas cost of \$2.20 per Mcf.

—Utility users of natural gas would be similarly taxed, starting in 1983 at an amount that would bring the cost of gas to them to a level of \$.50 per Mcf below the BTU equivalent price of distillate. The tax would rise so that by 1988 the cost of gas to them would equal the cost of an equivalent amount of distillate. The later starting date for the tax on utility use of natural gas reflects the longer lead time required by utilities to convert to coal.

—Industrial and utility users of petroleum would be taxed at a flat rate since, unlike natural gas prices, petroleum prices are relatively uniform nationwide. Beginning in 1979, industrial use would be taxed \$.90 per barrel; the tax would rise to \$3.00 per barrel by 1985. A tax on utility use of petroleum would begin in 1983

at \$1.50 per barrel and remain at that level thereafter.

—Industry would be eligible for either an additional 10-percent investment tax credit for conversion expenditures or a rebate of any natural gas or petroleum taxes paid, up to the amount of any expenditures incurred for conversion to coal or other fuels. The rebate in any year could not exceed the amount of taxes paid. However, there would be a carry-forward provision for conversion expenditures that exceeded the tax payments.

—Oil and gas taxes collected from utilities would be set aside to help utilities accelerate the retirement of their oil and gas burning capacity.

With tax liability delayed until 1979 for industry and 1983 for utilities, prudent investors undertaking an aggressive conversion program should be able to accumulate enough conversion credits to eliminate, or minimize, the actual amounts of tax collected. As a practical matter, only those industrial firms and utilities which lagged behind in conversion would be subject to the tax.

2. *Coal conversion regulatory policy* (legislative): In order to assure the greatest possible conversion of utilities and industrial installations to coal and other fuels, while ensuring compliance with applicable environmental standards, legislation will be submitted to:

- prohibit industry and utilities from burning natural gas or petroleum in new boilers with only limited environmental and economic exceptions; industry could also be prohibited from burning gas or petroleum in facilities other than boilers, by regulations applicable to types of installations, or on a case-by-case basis;
- prohibit existing facilities with coal-burning capability from burning gas or oil, by regulations applicable to

categories or on a case-by-case basis; with limited temporary exceptions, no utility will be permitted to burn natural gas after 1990;

- require facilities burning coal to obtain approval to shift to petroleum or natural gas;
- require utilities burning natural gas to obtain a permit to shift to petroleum;
- allow any industrial firm or utility prohibited from using natural gas to sell its contract to purchase gas at a price that would provide adequate compensation.

3. *Environmental policy for coal:*

—The administration supports a strong, but consistent and certain, environmental policy to protect the environment and provide the confidence industry requires to make investments in energy facilities. That policy would:

- require the installation of the best available control technology in all new coal-fired plants, including those that burn low-sulfur coal;
- protect areas where the air is still clean from significant deterioration;
- encourage States to classify lands to protect against significant deterioration within 3 years after enactment of Clean Air Act Amendments;
- require Governors to announce intent to change the classification of the allowable air quality for a given area within 120 days after an application is made to construct a new source in that area;
- require States to approve or disapprove the application within 1 year thereafter.

—The President believes that further study is needed with regard to the Environmental Protection Agency's current policies allowing offsetting pollution trade-offs for new installations and there-

fore requests that Congress not write into law a definitive formula for a non-attainment policy until this analysis is completed.

—The President will appoint a special committee to study the health effects of increased coal production and use, and the environmental constraints on coal mining and on the construction of new coal-burning facilities. The Committee will report to the President by October 1977 (administrative).

—The President will request almost \$3 million to study the long-term effects of carbon dioxide from coal and other hydrocarbons on the atmosphere (budget).

—The President reiterated his support for tough, uniform national strip mine legislation.

4. *Coal research and development* (budget)

—The President has directed ERDA, EPA, and the Department of the Interior to undertake a major expansion of the Government's coal research and development program. The program will focus primarily on meeting environmental requirements more effectively and economically, and will seek to expand the substitution of coal for gas and petroleum products.

—The program will include research on:

- more effective, economical methods to meet air pollution control standards, including flue gas desulfurization systems ("scrubbers");
- fluidized bed combustion systems;
- coal cleaning systems;
- solvent refined coal processes;
- low BTU gasification processes;
- synthetic crude technology; and
- coal mining technology.

—In the long run, synthetic high BTU gas produced from coal may provide a

substitute for declining natural gas supplies. The Government does not plan to subsidize existing technologies. The administration will pursue an active R&D program for advanced high BTU coal gasification. The program will be conducted with the urgency required to ensure that the new technology will be ready when needed.

5. *Nuclear power*

a. *Plutonium economy*

—The United States will make a concerted effort, in association with other countries, to find answers to the problems of nuclear proliferation. As part of this effort, the United States will defer indefinitely commercial reprocessing and recycling of spent fuels produced in United States civilian nuclear powerplants (administrative).

—In addition, the President has decided to defer indefinitely construction of the Clinch River Liquid Metal Fast Breeder Reactor Demonstration Project and to cancel all component construction, commercialization, and licensing efforts. The United States breeder program will redirect efforts toward evaluation of alternate breeders, fuels, and advanced converter reactors with emphasis on nonproliferation and safety concerns (administrative).

—The United States has asked other countries to join in examining alternate methods of meeting future needs for nuclear power. As part of this program, the United States must restore confidence in its ability and willingness to supply enriched uranium services. The United States is, therefore, taking three steps to restore that confidence.

—The United States is reopening the order books for uranium enrichment services (administrative).

—The President is proposing legislation, in a separate submission, to guaran-

tee the sale of enrichment services to any country which agrees to comply with our nonproliferation objectives and is willing to accept certain conditions (legislative).

—The United States will expand its enrichment capacity. Current capacity consists of gaseous diffusion plants. A centrifuge plant uses only 10 percent as much electrical power as a diffusion plant of equivalent capacity. Accordingly, the next plant that the United States will build, for which funds are already in the proposed fiscal 1978 budget, will be a centrifuge plant (administrative/budget).

—To resolve uncertainties about the extent of domestic uranium resources, ERDA will modify its National Uranium Resources Evaluation program to improve its uranium resource assessment and to include thorium (administrative).

b. Domestic nuclear safety and storage

—Light water reactors, the type now being built, are not a proliferation hazard.

—Although light water nuclear reactors have had a good safety record, the President will request the Nuclear Regulatory Commission to expand its audit and inspection staff, to increase unannounced inspections, and to assign a permanent inspector to every nuclear site (administrative/budget).

—The President will request the NRC to make mandatory the current voluntary reporting of minor mishaps and component failures (administrative).

—The President also will request the NRC to develop firm siting criteria that contain guidelines to prevent siting in densely populated areas, under potentially hazardous or valuable natural areas (administrative).

—The current licensing process is unsatisfactory to utilities, intervenors, and the Government. Therefore, the Presi-

dent will direct a thorough review of the entire process. As part of this review, he has proposed that reasonable and objective criteria be established for licensing and that plants which are based on a standard design not require extensive individual licensing (administrative).

—The President will direct a review of ERDA's waste disposal program (administrative).

6. Hydroelectric power

The President has directed the Corps of Engineers to report within 3 months on the potential for additional hydropower installations at existing dams throughout the country—especially at small sites. Any recommendation will be subject to a thorough environmental and budget review before final decisions are made (administrative).

H. NONCONVENTIONAL SOURCES OF ENERGY

America's hope for long-term economic growth beyond the year 2000 rests on renewable and virtually inexhaustible sources of energy, such as solar and geothermal energy. The Government will promote aggressively the development of renewable resources.

1. Solar energy

a. Solar tax credits (legislative): To stimulate the development of a large solar market, a tax credit of 40 percent of the first \$1,000 and 25 percent of the next \$6,400 (maximum of \$2,000) paid for the installation of qualifying solar equipment would be provided. The credit would decline over time to 25 percent of the first \$1,000 and 15 percent of the next \$6,400. The credit, available between April 20, 1977, and December 31, 1984, would be supported by a federally supported joint Federal/State program of

standards development, certification, training, information gathering, and public education.

b. *Business investment tax credit* (legislative): The solar industry will be aided further by the inclusion of investments in solar equipment for industrial and commercial purposes among the approved conservation measures eligible for the proposed 10-percent tax credit for energy-saving investments.

c. *Federal Energy Management Program* (administrative/budget): The Federal Government will demonstrate its confidence in solar technology by undertaking a 3-year solar program for Federal buildings with up to \$100 million.

d. *State support*: States are urged to amend their property tax laws to exempt solar installations from assessments, to enact legislation to protect access to the sun and to promote consumer education in the solar field. State public utility commissions would be required to develop guidelines, to prevent utilities from discriminating against users of solar energy or other alternative energy sources.

2. *Geothermal energy*

a. *Tax deductions* (legislative): To stimulate geothermal drilling, the President will propose a tax deduction for intangible drilling costs comparable to that now available for oil and gas drilling.

b. *Procedural streamlining* (administrative): The Departments of Interior and Agriculture will streamline their leasing and environmental review procedures to remove unnecessary barriers to development of geothermal resources.

I. RESEARCH DEVELOPMENT AND DEMONSTRATION OF DECENTRALIZED SYSTEMS

1. *Reorganization* (administrative/budget): A new Office of Small-Scale

Technology is proposed within the Department of Energy in order to tap more fully the great potential of the Nation's individual inventors and small business firms.

2. *Solar, geothermal, and other technologies* (budget): The Government will provide increased funding for photovoltaic systems, solar space cooling and other solar buildings technologies, small wind energy conversion systems, and demonstration projects on wood-derived biomass. The Government will also fund programs for additional work on gas-fired heat pumps and small fuel cells for residential and commercial heating and cooling. Additional funding will be provided to identify new hydrothermal sources which could be tapped for near-term generation of electricity and for direct thermal use. The Government will also support demonstration of direct, nonelectric uses of geothermal energy for residential space conditioning and industrial and agricultural process heat in area where this resource has not previously been exploited.

J. TRANSPORTATION STUDY

During the era of cheap energy, the United States developed a national energy transportation system principally for moving oil and natural gas from the South and the Texas Panhandle to the North and Northeast. With growing prospects for increased supplies of oil and gas from Alaska and the Outer Continental Shelf, as well as the possibility of increases in Western coal production, the Nation urgently needs to reassess its energy transportation system. The President will establish a commission to study and make recommendations concerning the national energy transportation system.

APPENDIX A

TAX AND REBATE SCHEDULE FOR NEW CAR SALES

Miles per gallon		Tax or rebate							
At least	But less than	1978	1979	1980	1981	1982	1983	1984	1985
....	12.5		*	*	935	*	1524	*	2488
12.0	13.0	449	553	666	*	1159	*	1819	*
12.5	13.5	*	*	*	774	*	1294	*	2146
13.0	14.0	345	436	538	*	972	*	1559	*
13.5	14.5	*	*	*	637	*	1098	*	1854
14.0	15.0	256	339	428	*	812	*	1336	*
14.5	15.5	*	*	*	519	*	929	*	1603
15.0	16.0	179	258	333	*	674	*	1143	*
15.5	16.5	*	*	*	416	*	782	*	1384
16.0	17.0	112	176	249	*	553	*	974	*
16.5	17.5	*	*	*	325	*	653	*	1192
17.0	18.0	52	111	176	*	446	*	825	*
17.5	18.5	*	*	*	245	*	539	*	1021
18.0	19.0	0	52	111	*	351	*	693	*
18.5	19.5	*	*	*	174	*	437	*	869
19.0	20.0	-47	0	52	*	266	*	574	*
19.5	20.5	*	*	*	110	*	345	*	733
20.0	21.0	-89	-47	0	*	189	*	467	*
20.5	21.5	*	*	*	52	*	262	*	610
21.0	22.0	-128	-90	-47	*	120	*	371	*
21.5	22.5	*	*	*	0	*	188	*	499
22.0	23.0	-163	-129	-90	*	57	*	283	*
22.5	23.5	*	*	*	-47	*	119	*	397
23.0	24.0	-195	-165	-130	*	0	*	203	*
23.5	24.5	*	*	*	-91	*	57	*	304
24.0	25.0	-224	-197	-166	*	-52	*	129	*
24.5	25.5	*	*	*	-131	*	0	*	219
25.0	26.0	-251	-227	-199	*	-101	*	62	*
25.5	26.5	*	*	*	-168	*	-52	*	140
26.0	27.0	-276	-255	-230	*	-145	*	0	*
26.5	27.5	*	*	*	-202	*	-101	*	67
27.0	28.0	-299	-281	-259	*	-187	*	-57	*
27.5	28.5	*	*	*	-234	*	-147	*	0
28.0	29.0	-321	-305	-285	*	-225	*	-111	*
28.5	29.5	*	*	*	-264	*	-189	*	-62
29.0	30.0	-341	-327	-310	*	-261	*	-161	*
29.5	30.5	*	*	*	-291	*	-228	*	-121
30.0	31.0	-359	-348	-333	*	-295	*	-207	*
30.5	31.5	*	*	*	-317	*	-265	*	-176
31.0	32.0	-377	-367	-354	*	-326	*	-251	*
31.5	32.5	*	*	*	-340	*	-299	*	-227
32.0	33.0	-393	-385	-374	*	-355	*	-292	*
32.5	33.5	*	*	*	-363	*	-331	*	-275
33.0	34.0	-408	-402	-393	*	-383	*	-330	*
33.5	34.5	*	*	*	-385	*	-361	*	-320
34.0	35.0	-423	-416	-411	*	-409	*	-366	*
34.5	35.5	*	*	*	-405	*	-390	*	-362
35.0	36.0	-436	-433	-428	*	-433	*	-400	*
35.5	36.5	*	*	*	-423	*	-417	*	-403

APPENDIX A—Continued

TAX AND REBATE SCHEDULE FOR NEW CAR SALES—continued

Miles per gallon		Tax or rebate							
At least	But less than	1978	1979	1980	1981	1982	1983	1984	1985
36.0	37.0	—449	—448	—444	*	—456	*	—433	*
36.5	37.5	*	*	*	—441	*	—442	*	—440
37.0	38.0	—461	—461	—459	*	—478	*	—463	*
37.5	38.5	*	*	*	—458	*	—467	*	—476
38.0	39.0	—473	—474	—473	*	—499	*	—492	*
38.5	39.5	*	*	*	—474	*	—490	*	—493
39.0	—473	—474	—473	*	—499	*	—492	*
Electric cars		—473	—474	—473	—474	—499	—490	—492	—493

National Science Foundation

*Nomination of Richard C. Atkinson
To Be Director. April 21, 1977*

The President today announced that he will nominate Richard C. Atkinson, of Stanford, Calif., to be Director of the National Science Foundation. Atkinson has been Deputy Director of the Foundation since 1975, and has served as Acting Director since 1976. He is also a professor at Stanford University.

Atkinson was born in Oak Park, Ill., on March 19, 1929. He received a Ph. B. degree from the University of Chicago in 1948 and a Ph. D. from Indiana University in 1955.

Atkinson was a lecturer in applied mathematics and statistical laboratories at Stanford University in 1956–57. From 1957 to 1961, he was an assistant professor of psychology at the University of California at Los Angeles.

Atkinson has taught at Stanford since 1961, serving as an associate professor from 1961 to 1964 and a professor since that year. From 1969 to 1974, he was chairman of the department of psychology

and dean of the School of Humanities and Sciences.

Atkinson was a fellow of the Center for Advanced Study in the Behavioral Sciences in 1963, and a Guggenheim fellow in 1967. He received the Distinguished Research Award of the Social Science Research Council in 1962.

He has been chairman of the psychology section of the American Association for the Advancement of Science since 1975, and president of the Western Psychological Association since 1975. He was president of the experimental division of the American Psychological Association in 1974–75.

Atkinson is the author of "Introduction to Psychology" (with Hilgard and Atkinson, 1971), "Computer Assisted Instruction" (1969), and "An Introduction to Mathematical Learning Theory" (with Bower and Crothers, 1965), and numerous articles.

Department of Defense

*Nomination of John P. White To Be an
Assistant Secretary. April 21, 1977*

The President today announced that he will nominate John P. White, of Malibu,

Calif., to be Assistant Secretary of Defense (Manpower and Reserve Affairs). White is currently senior vice president at the Rand Corporation.

He was born in Syracuse, N.Y., on February 27, 1937. He received a B.S. in industrial and labor relations from Cornell University in 1959, an M.A. in economics and public administration from Syracuse University in 1964, and a Ph. D. in labor economics from Syracuse in 1969. He served in the United States Marine Corps from 1959 to 1961.

From 1964 to 1968, White was an instructor, then assistant professor at Le Moyne College in Syracuse. He joined the Rand Corporation in 1968 as a research economist.

From 1969 to 1971, White was director of the manpower, personnel and training research program for the Rand Corporation and coordinated their program in transportation research. From 1971 to 1975, he was vice president of the corporation, responsible for research for the Office of the Secretary of Defense.

White was elected to the board of trustees of the Rand Corporation in 1973. He has been senior vice president, responsible for national security research programs, since 1975.

Mother's Day, 1977

Proclamation 4503. April 21, 1977

*By the President of the United States
of America*

A Proclamation

Recent shifts in our culture and society have created new patterns of life for many American mothers and families.

Some of these changes have been desirable, and some not so desirable. But all

have put new burdens on the women who must adapt to the shifts—the mothers of America.

By and large they have met the challenge of change with grace, intelligence, and dignity.

Mother's Day should no longer be merely a day on which we reaffirm our love for our mothers. It should also be an occasion for admiration of the way American mothers have maintained those family bonds that protect us from the uncertainties of a changing society and give meaning and direction to our lives.

And it should be an occasion for those of us in public life to reflect on what government can do to help the mothers of America keep our families strong.

In recognition of the contributions of all mothers to their families and to the Nation, the Congress, by a joint resolution approved May 8, 1914 (38 Stat. 770), designated the second Sunday in May each year as Mother's Day and requested the President to call for its appropriate observance.

NOW, THEREFORE, I, JIMMY CARTER, President of the United States of America, do hereby request that Sunday, May 8, 1977, be observed as Mother's Day. I call upon government officials to display the flag of the United States on all government buildings, and I urge all citizens to display the flag at their homes and other suitable places on that day.

IN WITNESS WHEREOF, I have hereunto set my hand this 21st day of April, in the year of our Lord nineteen hundred seventy-seven, and of the Independence of the United States of America the two hundred and first.

JIMMY CARTER

[Filed with the Office of the Federal Register,
4:44 p.m., April 21, 1977]

Swearing-In Ceremony

Remarks at the Swearing In of the Under Secretary of Commerce, the Administrator of the Small Business Administration, the Commissioner of the Federal Trade Commission, and a Member of the Securities and Exchange Commission.
April 21, 1977

THE PRESIDENT. This is another occasion which brings to me a great sense of responsibility and pleasure, both for myself as President and also for our country.

One of the most difficult assignments that a newly elected President can have is to choose people who are willing to serve with him in leading our country, particularly in those very difficult positions where conflicts of interest come into play and where sound judgment and absolute integrity are mandatory.

This afternoon we have a swearing-in ceremony for four people who have been selected after a long and tedious screening process. I can assure you they are the best ones available for the jobs in the entire country. It's a credit to them, and their service will be a credit to our country.

I'd like to introduce to you, first of all, Sidney Harman, who's come here as a very successful entrepreneur himself. He started out as a small businessman, but his business grew very rapidly. I think he now, in Harman Industries, has about several thousand employees. But he's had an innovative approach to management and employee relationships. He even established, I understand, a newspaper that he and his company financed for employees to criticize management. Is that correct, Sidney?

MR. HARMAN. Yes, it is.

THE PRESIDENT. He is going to need that tough skin in his new job as Under Secretary of Commerce.

I particularly want to mention his mother. Mrs. Harman has come here today to be with her son and with me. And I hope the group will welcome her. She happens to be 95 years old. And I think she exemplifies—is that correct?

MR. HARMAN. Just correct. Yes, sir.

THE PRESIDENT. That's right. I thought that was wrong for a minute.

But we're so glad that you could come. She looks so young and so vigorous, and she reminds me a lot of my mother. And this confidence that she has in her son is well placed.

We also have with us this afternoon a very good and a very close friend of mine. Vernon Weaver and I happen to have been classmates at the U.S. Naval Academy. We didn't know each other very well then, but we've come to know each other well since then. He's a man from Arkansas who will head up the Small Business Administration.

He brings to that very sensitive and important job experience and background which will stand him in good stead as he helps newcomers to the business world to establish their own place in their new endeavors. And I think he also brings a sensitivity to their needs that will stand him in good stead.

When I began my own business, I couldn't expand because of my ignorance and lack of financial resources. I went to the Small Business Administration and got a loan to expand my peanut shelling operation, to put in a cotton gin, and to build an office and to put in some scales. It was my biggest adventure, in an independent way, of my life until that time.

I not only got a loan but I got a continuation in subsequent years of mature counsel, because volunteer retired business leaders would come down to Plains and consult with me on how best to manage my own affairs.

Vernon started in his own professional career, which has been very successful, as a small businessman—I think making Venetian blinds in Miami. Is that correct, Vernon? And we welcome him to our administration, in the Small Business Administration itself.

Another appointment that I make this afternoon with a great deal of pride is to the Federal Trade Commission. This is ostensibly or by reputation the battleground between the business community on one side and consumers on the other. But the man that I've chosen to serve as a member is one that's been almost unanimously supported by both the business community and consumers.

Mike Pertschuk comes to us as a distinguished member of the Senate staff. He has a background that's broad and, I think, has demonstrated his sound judgment and his own integrity. And I'm very grateful that he has been willing to come and serve with us.

And, of course, we also have coming to serve on the Securities and Exchange Commission, Harold Williams, who has a background as an educator and also as a businessman. I doubt that there is any other appointment that can be made by a President where personal reputation and deep knowledge of both the theory and practical aspects of our own national economy is more in demand than membership on the Securities and Exchange Commission, because there you must have confidence, above all. And I'm deeply grateful that you are willing to serve with us as well.

So you can see, I believe that this group is one which meets demanding standards. And I believe that their appointment, along with the good members who already serve in these capacities, will add a great deal to the trust that Government can justify among the people of our country who look to us with confidence.

Justice Brennan has agreed to come and administer the oath. And it's with a great deal of pride, Mr. Justice, that I ask you now to swear in for full-time Government service, these remarkable examples of success in their own field and a dedication to an even greater career in public service in the months to come.

Thank you very much.

NOTE: The President spoke at 2 p.m. in the Rose Garden at the White House. Following his remarks, Supreme Court Associate Justice William J. Brennan, Jr., administered the oath of office.

Soviet Press Comments on President Carter's Economic Programs

*Statement by the White House Press
Secretary. April 21, 1977*

We have long maintained that the Soviet Union has the perfect right to say whatever it pleases. Neither this administration nor this country has any fear of a free discussion of ideas, no matter how misinformed or ridiculous they might be.

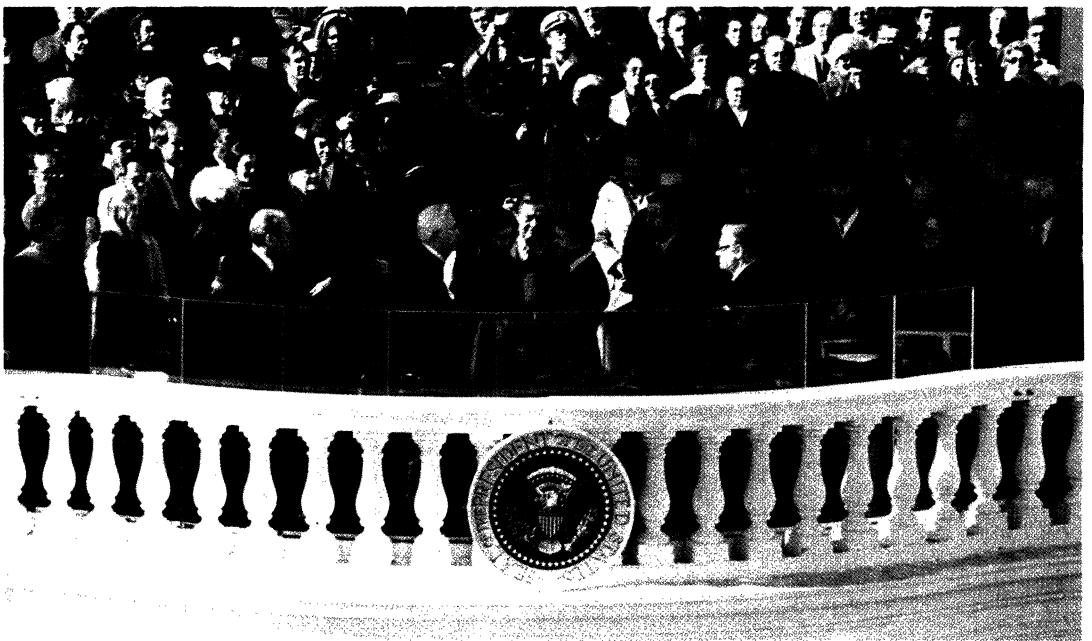
It is worth pointing out that any American can say the same thing or worse about the President, without fear of arrest, intimidation, or harassment from the White House.

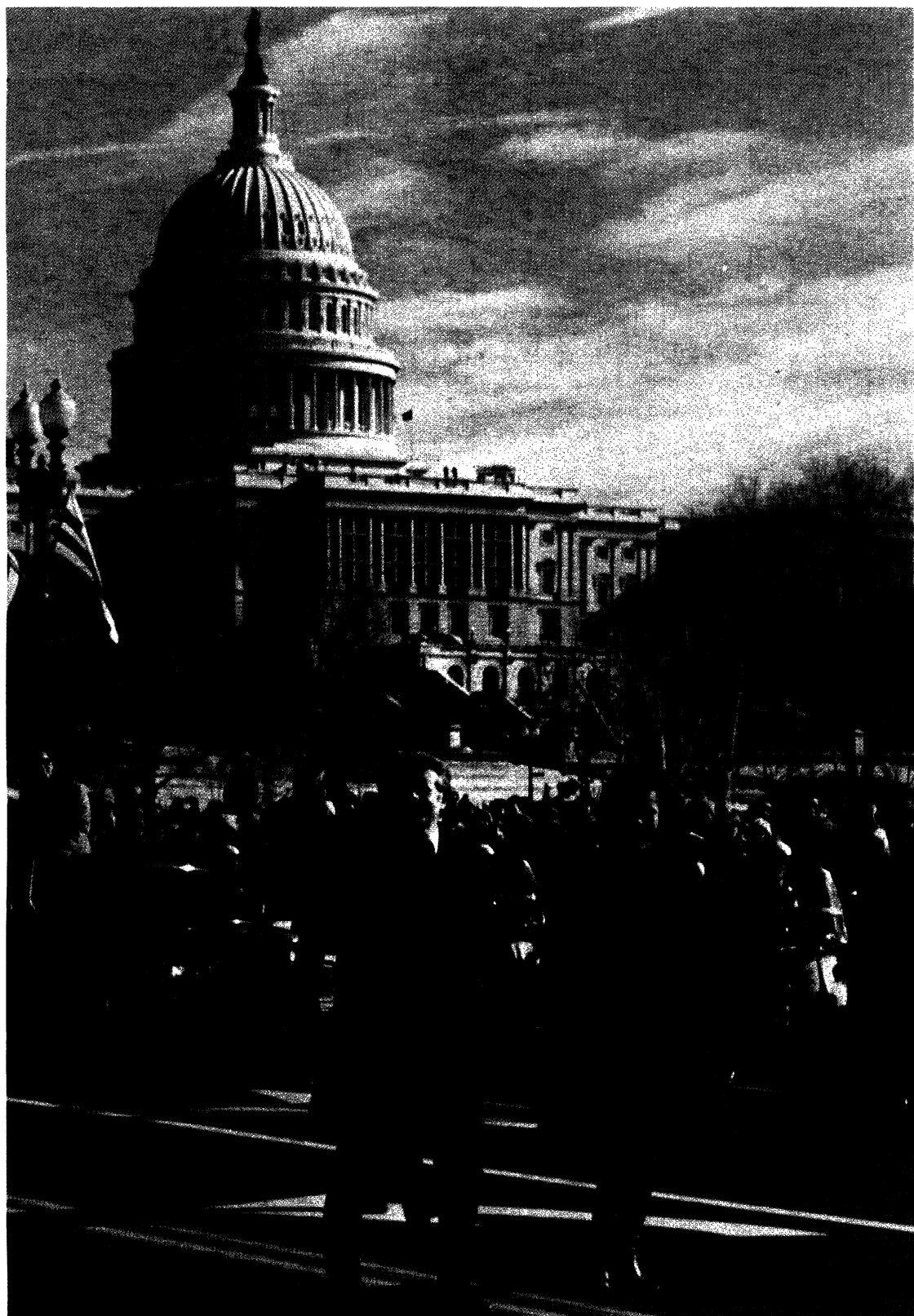
We certainly have no objections to the exercise of the right of free speech by the Soviet Government. We look forward to the day when the right of citizens to criticize his or her government is guaranteed everywhere in the world.

NOTE: Press Secretary Jody Powell read the statement at his April 22 news conference at the White House in response to an article which had appeared in the Communist Party newspaper Pravda. The article criticized the President for failing to keep his Presidential campaign promises to black voters in formulating his economic policies.

PHOTOGRAPHIC PORTFOLIO

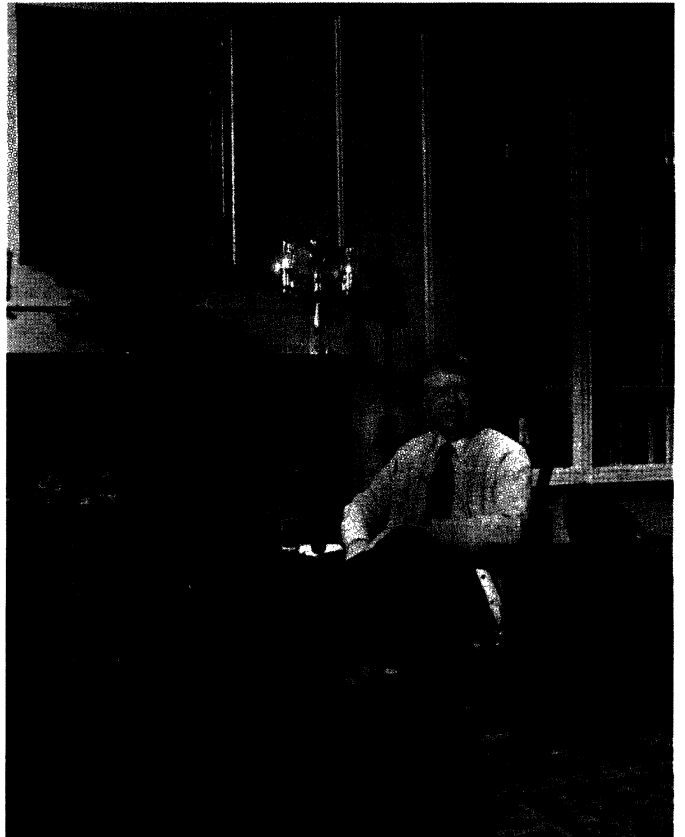
President Jimmy Carter







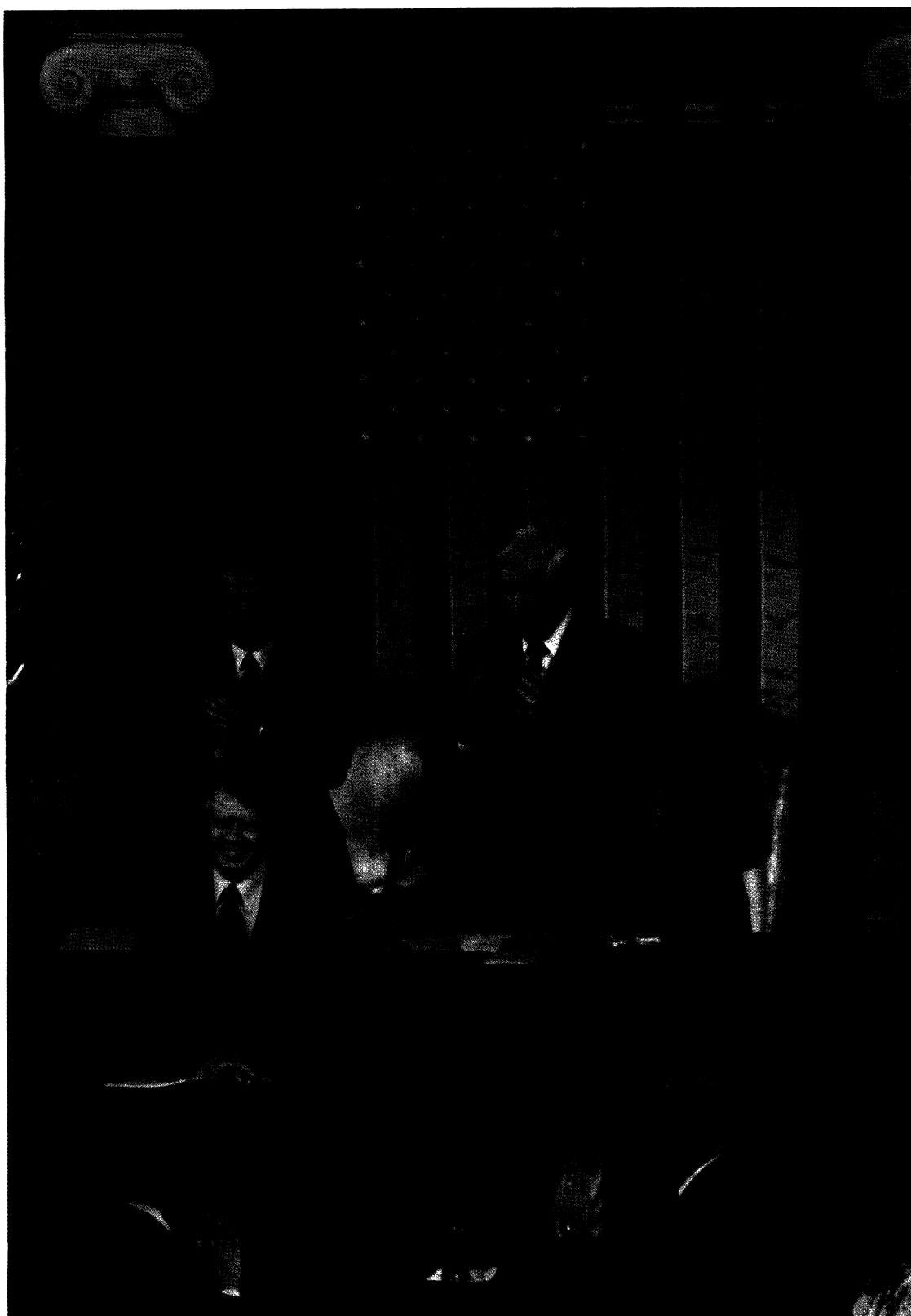
Overleaf: Taking the oath of office at the Capitol, January 20. **Left:** Leading the Inaugural Parade, January 20. **Above:** First meeting with the Cabinet in the Cabinet Room at the White House, January 24. **Right:** Preceding the televised report to the American people from the White House Library, February 2.





Above: Addressing the United Nations General Assembly in New York City, March 16. **Left:** White House dinner in the State Dining Room honoring Japanese Prime Minister Takeo Fukuda, March 22. **Below:** Visiting the day care center at the Department of Health, Education, and Welfare, February 16. **Right:** Addressing a Joint Session of the Congress on the National Energy Plan, April 20.



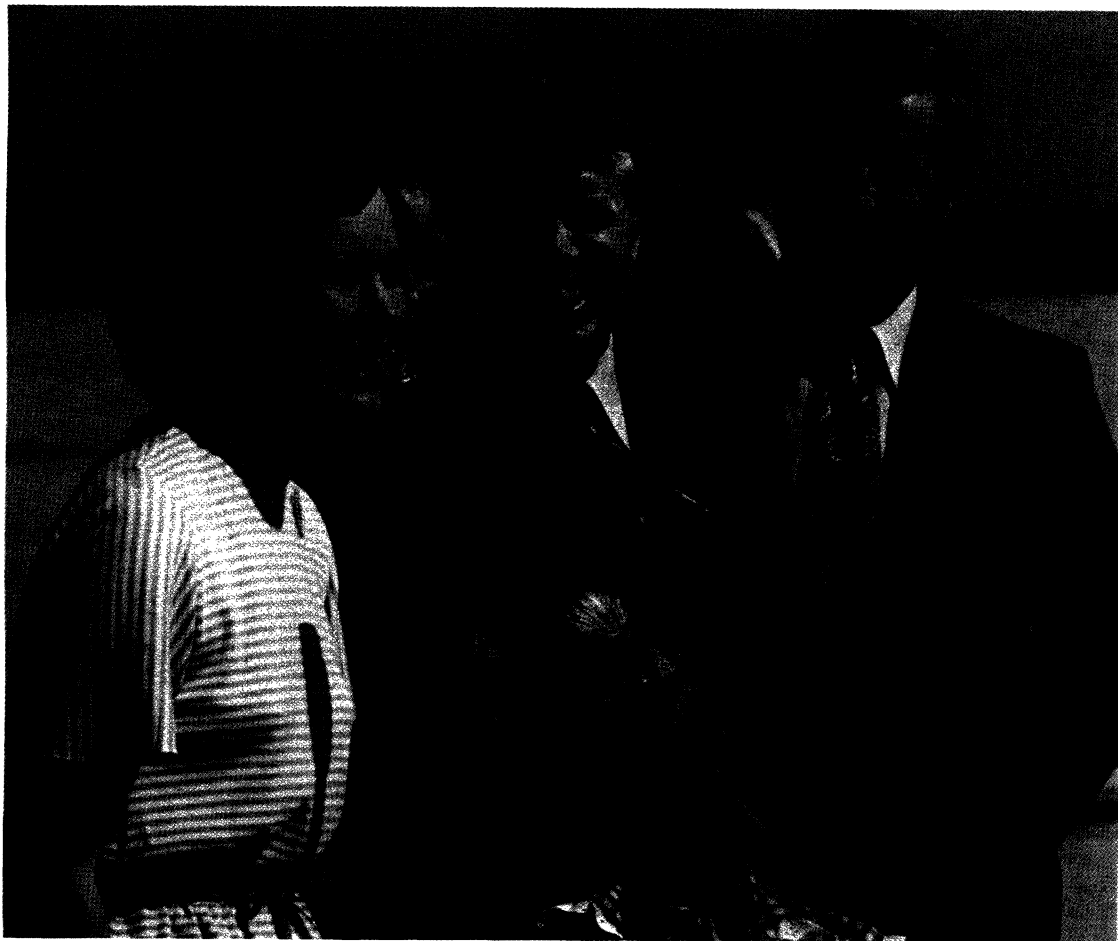




Left: Vice President Mondale at a ceremony on the White House South Lawn as the President departs for London, May 5. **Below:** En route to London on Air Force One with National Security Adviser Brzezinski, Secretary of the Treasury Blumenthal, and Secretary of State Vance, May 5. **Above right:** Greeting citizens of Newcastle-Upon-Tyne, England, May 6. **Below right:** Walking to Lancaster House in London with other Western leaders following a meeting at 10 Downing Street, May 7.







Above: Greeting Mrs. Carter at Andrews Air Force Base, Md., on her return from a trip to Latin America, June 12.

Below: News conference in Room 450 of the Old Executive Office Building, February 8.



CLOSE-UP Program

*Remarks to Participants in the Program.
April 21, 1977*

Let me say just a few words to you. First of all, I want to thank all of you for coming to Washington to try to learn about your Government and to come to the White House to try to learn about your President. We have a lot in common. I've just come to Washington myself to learn about the Government.

The first time I was ever in the House Chamber was last night, when I went to make a speech about our energy policy. And I believe it's very important that while you are here in this remarkable program which, I think, has brought more than 21,000 students, I understand, to Washington—40,000?—40,000 students to Washington to learn about the Government—that when you go back home you take advantage of the tremendous opportunity that you've had to let your fellow classmates and friends and neighbors and members of your own family know about what you've learned.

I hope you've been behaving yourselves in Washington. I notice the Supreme Court ruled that corporal punishment was still permitted in school, and I don't want you to get in trouble when you get back home.

I'd like to say just a few words to you. The one thing that I've learned since I've been in politics is that it's always a mistake to treat young people your age like children. I always have believed that you could be treated like adults. And you have on your shoulders, not 5 or 10 years in the future, but right now, a tremendous responsibility for what our country is—whether or not our Government functions well, whether trust can be restored, and what goes on here in Washington, whether you can demand accountability from those who have been elected to serve you.

You can participate just as much as your parents do in the election or defeat of public officials at the local, State, and Federal levels of Government. You have influence, you have mobility, you have insight, you have intelligence, you have knowledge, you have hopes and dreams and aspirations quite often that don't exist among older people who are established in a job or position and can't afford to leave it, or can't afford to disturb the status quo. You have that freedom of action and freedom of thought that's crucial in a democratic society like our own.

We are facing now, many difficult decisions that have not been addressed adequately in the past. I've moved as strongly as I could in the first 3 months to try to restore a sense of what our country is. I believe that we ought to hold down the dependence of our Nation and the Soviet Union on atomic weapons, and I proposed to Mr. Brezhnev and to the Soviet Government not just mutual targets that we work to reach but substantial reductions in how many nuclear weapons we can have in our arsenals.

I've also done the best I could to establish a realization around the world that we ought to reduce the sale of conventional weapons to the poor countries of the world and those that are still trying to develop, and to remove the competition from the manufacturers and the purchasers of weapons in all the nations on Earth.

We've also tried to establish the dangers of new countries having the ability to construct atomic weapons and to control the waste products that come out of atomic powerplants that can be changed into explosives.

I've tried to address as best I could the concept that our Nation stands resolutely and also permanently for basic human rights. There has been some criticism about this position that I've taken, but

the American people overwhelmingly believe that our Nation ought to be a beacon light for the rest of the world in an unequivocal commitment to the basic principles on which our own Nation has been founded. And I believe that we can do this and suffer, perhaps, some temporary disturbance in our relationship with a few countries around the world, but eventually we can have a good influence in establishing human rights even in countries where they are endangered at the present time.

I think our Nation ought to take the leadership in addressing for the first time, in a comprehensive way, the rapidly dwindling supplies of oil and natural gas and other energy sources.

No nation has yet established a strong, comprehensive, well-thought-out conservation plan. Our Nation has been blessed, as you know, with large quantities of energy, but we ought to be the one, I think first, to strive for strong conservation measures because we waste more.

We can have a better conservation effort because we're the most wasteful nation on Earth. We have about the same standard of living, as I said on my television speech the other night, as Sweden, Japan, Germany, but we use twice as much energy per person.

And if there is one group of people in our country who could play a leadership role in trying to save energy, it's you. You could monitor what goes on in your schools, in your public buildings that are owned by the State and local governments, in your own home, the kind of automobiles you buy, the kind of transportation that you use. I think this is the kind of thing where you could mount a nationwide effort to help me with all these conservation matters.

And the last thing that I'll mention, in order to save your time, is that I've tried to bring to our Government a new open-

ness. I think that it's obvious, if you read the editorial comments, that sometimes we are criticized because I tell the American people things that haven't been made public before.

If I have a group of options in dealing with Turkey and Greece, or dealing with the Zairean problem, or dealing with the Middle East, or dealing with the SALT negotiations with the Soviet Union, or how to reopen relationships with Vietnam or Cuba or the People's Republic of China, I feel much more secure as President if I let the American people know what my thoughts are and let them know the facts about these international and very sensitive discussions. Because to the extent that the American people debate these issues, and to the extent that I can learn from the debate, I feel more sure that I will make the right decision. And when I do express an opinion or take a position with foreign leaders, I want to be sure that my position accurately represents what the American people are and what the American people want me to do.

So, we are trying to make some changes. We've made a lot of mistakes. We're going to make some more. But I hope that to the extent that you can, you'll stay involved in what we do, monitor the decisions that I make, and feel that you're part of the Government, just as I am.

I wouldn't be at all surprised if someone in this group, or some of those that are in this organization that are left behind, would be in Government in the future, perhaps President of the United States.

I never thought about being President when I was your age. All I wanted to do was to be sure I went to college and to get off the farm for a while. But the way things have worked out, with the help of Midge Costanza and others, I have been successful in reaching this very important position.

I don't look on it as something that separates me from you. I don't look on it as something that makes me better than anyone else. I hope that I can always serve you as President during this term of office in a way that would make you proud. I want you to stay close to me, let me have your suggestions, your support, your advice, your counsel, and your criticisms when you think I do the wrong thing.

But feel free always to try to shape the decisions that are made in Government, because it belongs to you as much as it does to me.

Thank you very much.

NOTE: The President spoke at 4:30 p.m. in the Rose Garden at the White House. The **CLOSE-UP** program, which was established as a memorial to Senator Allen Ellender of Louisiana, brings high school students and their teachers from cities around the country to spend a week in Washington where they attend seminars with administration officials and Members of Congress.

THE PRESIDENT'S NEWS CONFERENCE OF APRIL 22, 1977

THE PRESIDENT. Good morning, everybody.

I don't have a statement to make. I am prepared for questions.

Mr. Cormier [Frank Cormier, Associated Press].

GASOLINE TAX

Q. Mr. President, I have heard some people suggest—maybe you'd call them cynics—that your proposal for a standby gasoline tax is a bargaining chip to be traded later for something else that you really want. I want to know, are you

deeply committed to the tax idea or are you a little queasy about it?

THE PRESIDENT. I am deeply committed to the standby gasoline tax as part of a comprehensive and well-balanced overall energy program. In my opinion, the gasoline tax is a good idea. As a matter of fact, it will help greatly families who participate in the program by cutting down on gasoline consumption.

When the 5-cent gasoline tax is put into effect, if people don't conserve, then that means that the Federal Treasury will receive about \$6 billion in additional income. This will be refunded directly to every person in the United States on their income tax as a direct tax credit.

A family of four, for instance, would receive \$100 either reduction in their tax payment or, if they don't pay taxes, they would get that much of a refund in any case. So, a family with a car that gets, say, 27 miles per gallon, travels 10,000 miles per year, would pay \$91 more in taxes. They would get back a credit of \$500 if the 25-cent tax goes into effect.

So, the benefits are great for families that conserve. The taxes will not be severe when they go into effect. And if the people conserve, the tax won't go into effect at all. So, I am deeply dedicated to the gasoline tax and will fight for it until the last vote in the Congress.

TAX CREDITS FOR BUSINESS

Q. Mr. President, the Senate has voted to increase the business tax credit to the tune of billions of dollars. And you have approved millions of dollars in a tax break for the oil drillers, which is contrary to the tax reform law. What's the average taxpayer supposed to think about all this?

THE PRESIDENT. As you know, I am not in favor of continuing the business tax credit that the Senate voted yesterday. This will be taken up either this

afternoon or early next week. I intend to meet with Senator Long later on today to discuss the effects of this tax bill. My own position against the business tax credit has been very clearly expressed, and I'll have to decide at the time the bill gets to my desk, if it passes, whether I can accept it or not.

I believe that there have been erroneous reports made about the intangible drilling tax, to which I think you also referred.

The first part of the sentence, which has not been adequately emphasized, is that we would like to do away with the special provisions under the tax shelter laws that permit doctors, lawyers, wealthy farmers, and others to invest in exploration for oil and receive benefits. But the present law does permit the intangible tax credit for corporations. It does not permit the same tax credit for legitimate partnerships or individuals who have a full-time profession of drilling oil. That needs to be equalized.

Mr. Sperling [Godfrey Sperling, Jr., *Christian Science Monitor*].

GASOLINE RATIONING

Q. Mr. President, if the energy crisis is of wartime proportions, as you have indicated, why not rationing right now? I have a followup.

THE PRESIDENT. There is a provision now in the law that permits me to impose gasoline rationing in case of a national emergency, and that would be a part of the overall energy package. If I feel at any time that the Nation's security is in danger, for instance, if there should be an embargo imposed—and I see no likelihood of this—then gasoline rationing would be a viable alternative.

Q. Are you saying there, Mr. President, rationing would be a fallback position if milder measures proved out to be not sufficient?

THE PRESIDENT. That's correct. If the energy package that I have proposed to the Congress is adopted, I don't see any reason in the future of ever having rationing. However, it's going to take us quite a while to build up to a billion-barrel oil reserve supply which could tide us over 10 months even with an embargo. And until this is done, we are vulnerable, and we are getting more and more vulnerable every year. But if the entire package is put into effect—and I certainly hope and expect it will—then I see no reason for gasoline rationing.

Q. Mr. President, since the first surge in gasoline prices caused by OPEC, American consumers have adjusted to the higher prices and are consuming as much now, if not more, than they were before. If your package goes through intact, as you have said, and in 1981 you see that Americans are not conserving, in fact, have adjusted again and are willing to pay the new higher price, then would you invoke rationing?

THE PRESIDENT. Well, there are some constraints built into the energy package that don't presently exist. Americans have adjusted to the increase in the price of gasoline, but we still have an average efficiency of automobiles in the American fleet, which only gets 14 miles per gallon, and this is a gross waste of fuel.

Another thing that we have now, of course, is a much heavier dependence by industrial users on natural gas and oil than is necessary. Many of them can shift toward coal. When they do, this will relieve the pressure on scarce supplies of gas and oil.

We also, of course, will increase the overall price of oil further than it has been now. We don't pay the OPEC price in this country. Much of the oil that's presently known to exist, which had been discovered before the OPEC prices went into effect, now is sold at a price of \$5.25,

which is a very low and an artificially low price. The difference between this very low price and the world price will be increased in the form of taxes which would be refunded to the American public.

So, what we are doing in effect, to express it in general terms, is we are raising the price of fuel for everyone. We have an additional tax for those who deliberately waste fuel. We refund all these collected taxes, and they will be of great benefit to Americans or families who conserve fuel. And the overall impact will be to reduce consumption substantially below what it would have been. Just to give you one statistic, we would have been using imported oil at the rate of 16 million barrels per day by 1985. If this plan goes into effect, that 16 million barrels per day will be reduced to only 6 million barrels a day.

RAPID TRANSIT

Q. In your effort to reduce consumption of gasoline, however, the program seems to place very little emphasis on, if any emphasis, on rapid transit and mass transit. Why not?

THE PRESIDENT. Well, I think that this is a separate item that will be handled under the Transportation Department. We do intend to continue with our efforts toward rapid transit. It's not part of the energy package as such.

We have already embarked upon a massive rapid transit effort in this country. It will be continued and I think would perhaps be expedited.

We are now approaching the time of completion of many portions of the interstate highway system, and the pressures for that construction cost will lessen.

As I mentioned in my energy speech, though, we have one problem, and that is the maintenance of highways that are already constructed. As we reduce the consumption of gasoline, we'll have to make

that up to States so they can continue an adequate maintenance program, because they'll sell less gas in those States and they'll collect less gas tax.

But we will not ignore the rapid transit systems, and I think there will be a substantial shift toward increasing use of the public transportation systems, rapid transit, as the price of the gas guzzler automobiles goes up and as the price of fuel goes up.

HYDROELECTRIC POWER

Q. Mr. President, in neither of your addresses this week did you place much emphasis on the question of capping the unexploited hydroelectric power sites in the country, and in your administration's fact sheet there was mention only of Army Engineer add-ons to existing projects. Do you have any plans for encouraging either the private utility companies or State power agencies where they exist to exploit these untapped hydroelectric sources where they are economically and environmentally feasible?

THE PRESIDENT. Well, when they are economically and environmentally feasible, yes. But I think the fact is that in the historical development of our Nation the obviously beneficial sites where dams might be constructed and hydroelectric power might be derived have already been utilized or construction plans are well on the way. This now comprises about 4 percent of our Nation's energy supplies—hydroelectric power. I don't see any possibility of increasing that substantially as a percentage of our total use.

ENERGY TAX REVENUES

Q. Mr. President, a minute ago you said that all the money would be refunded in the form of direct tax payments, yet some of your advisers said that some of the refunds would be in the form of other payments. What percentage of the rebates

would be used by you to pay the cost of federalizing the welfare program and other payments, rather than direct refunds?

THE PRESIDENT. We still have to have some flexibility about exactly what we do. I can't certify today that every nickel of the taxes collected will be refunded to consumers.

There will be, for instance, for those who use fuel to heat their homes—oil—at the time they pay their fuel bills, that increase in the price will be part of that settlement and they won't have to pay the higher price for fuel as it relates to home heating.

This is particularly important in the New England States. If we do refund, however, all the wellhead tax which goes on one step at a time for 3 years, this will bring in enough money to give a credit, a tax credit, by 1980 of about \$188 per family. And as I said before, for each 5 cents that we add on to the gas tax if it is imposed, because of continued waste that will be about \$100 per family; that's if all the tax is refunded to the family.

That's our present plan. But, of course, we'll have to work on that with the Congress in the months ahead.

Q. Can I ask a followup?

THE PRESIDENT. Please.

Q. As you developed this energy program, however, was it in your mind that a substantial portion of the additional tax revenues that would come in to the Government, by some estimates as much as \$70 billion a year by 1985, would be used for other domestic social welfare programs, the federalization of the welfare program, and other unemployment programs, a substantial portion to be used ultimately for those purposes?

THE PRESIDENT. Well, we considered a lot of options. Those that you mentioned were among the options that we did consider.

We also thought about the possibility of refunding part of the gasoline tax through the payroll deductions for social security. The judgment that was made just in the last few days was that it's better to keep the social security question separated from the energy tax.

But all those options have been considered, and I have described my present thinking about it now. But I don't know what I and the Congress will work out during the next 2 or 3 months ahead.

If a better option should arise, then this will be debated openly and we will make a judgment accordingly. My present inclination is to see that the gasoline taxes, to a substantial degree, and the fuel tax increases, to a substantial degree, are refunded directly to the people of the country in the form of tax credits.

ENERGY PROGRAM AND THE ECONOMY

Q. Mr. President, can you explain to us just how you have had to reassess the economic impact of the energy plan, the impact on inflation and general economic recovery?

THE PRESIDENT. Yes, I can do that, I believe. We've run a series of computer model analyses to try to predict as accurately as we can what the impact of the overall package will be if it's passed without change. There are varying results. The variations are not very substantial.

There's a general consensus that there will be some inflationary impact. I think the inflation would come along if we didn't have an energy package. But with the energy package intact, the inflationary impact would probably be less than one-half of one percent per year.

Secondly, as far as economic stimulus is concerned, will it hold down our increase in our gross national product or will it cost the American people jobs? The most conservative and unfavorable anal-

ysis shows that it will have no adverse impact. Some computer model studies show that it will actually increase the number of jobs several hundred thousand and have a beneficial effect on our economy.

So, to summarize, it will have some inflationary impact. It will definitely not have an adverse impact on jobs or economic growth. It might have some beneficial impact on jobs and economic growth.

Q. Mr. President, how can you possibly achieve your goal of coal conversion by major utilities in areas like New York, for example, where the clean air standards already are not being met and where the utilities in these areas have indicated very strongly that they intend to fight any move to force them to install machinery like scrubbers, for example?

THE PRESIDENT. The requirement for installing scrubbers to provide for clean burning of coal will be applied uniformly throughout the country so far as I know. That is a separate item that's now being addressed by the Congress.

In some areas where the air pollution is extremely bad—you've mentioned New York; there might be other places—then we will consider making exceptions and permit utilities to continue to use either perhaps oil instead of coal. But that would be a rare exception based only upon the proven need to maintain the present high level of air pollution without any increase and hopefully over time to reduce it.

DEREGULATION OF NEW NATURAL GAS

Q. Mr. President, now that you have asked Congress to continue regulation of all natural gas except deep well gas and to extend the regulation to the intrastate market, would you concede that your campaign promise to the Governors of

Texas, Oklahoma, and Louisiana, that you would work with Congress to deregulate natural gas or new natural gas has gone down the drain?

THE PRESIDENT. No. I think if you would read the statement that I made to the Congress the other night, I specifically said that I will continue to work with the Congress toward deregulation of newly discovered natural gas. What we have done so far—I think I went on to say when economic circumstances permit. What we have done so far is to set the newly discovered price of natural gas at the same price as its equivalent in energy of oil, which is the international price. So, this is a substantial move, and I believe that my campaign commitment which never put any tie limit is indeed intact.

Q. Does that mean that you foresee a recommendation to eventually take the cap off of gas; that is, as long as there is a cap on it, it would seem to be regulated? And I wondered if that might be the eventual thing?

THE PRESIDENT. I think that would still have to remain for future analysis. I believe that in the definitions that have been given at least by some of the natural gas producers, setting the natural gas prices at its equivalent in oil, is an adequate level of deregulation. Others, of course, want complete deregulation of oil and gas.

I don't think it's possible for us to do that in the immediate future. I think the adverse impact on consumers and on our economy would just be too severe. I can't answer the question any better until I see what events bring in future months.

THE ENERGY PROGRAM

Q. Mr. President, in your fireside chat on February 2 you said, and I quote, "We will ask the private companies to sacrifice just as private citizens must do."

We know what you are asking private citizens to do by way of curbing motorboats, recreation vehicle usage, curbing their freedom to use their automobiles. Would you please enumerate what the private energy companies, the oil companies, will be asked to sacrifice that they don't already have?

THE PRESIDENT. Well, in the first place, there will be a move throughout the industrial world in our country away from oil and gas, toward coal. There will be a substantial additional tax placed on oil and gas that applies to industry that will not apply to the homeowners.

As far as the oil companies are concerned, there's a prohibition against their deriving additional income as they produce oil from the presently discovered supplies compared to what the world market price would bear. And this preempts that increase in the future by taxing the oil for the difference and returning the tax not to the oil companies, but to the American consumer.

As far as the consumers are concerned, those who conserve substantial amounts of energy will derive a substantial financial benefit. And I think that as we shift towards more efficient automobiles and as we shift toward lesser use of gas and heating oil for homes with better insulation, the cost to the consumer will be minimal, if any, and those who do conserve will derive substantial financial benefits.

ZAIRE

Q. Mr. President, are we going to transfer American battle tanks to Zaire? And if so, why?

THE PRESIDENT. No. No decision has been made about that. The news stories that have come out recently about the possible sale of tanks to Zaire are a result of a study that was done a year or so ago before I became President.

This question has never come to my attention since I have been in office until this morning. I have made no decision about sending tanks to Zaire. And I think it's highly unlikely that I would advocate such a sale.

FORMER PRESIDENT FORD

Q. Mr. President, do you agree with Vice President Mondale that former President Ford's criticism of your anti-inflation package was unseemly and unfair?

THE PRESIDENT. I haven't seen Vice President Mondale quoted on those lines. I think that the expression specifically that I heard Senator Mondale—Vice President Mondale make, was that I believe that President Ford said that had he been in office for 2 months, he would have had a SALT agreement.

Well, you know, the fraternity of Presidents and former Presidents is a very small one. I think there are only three of us. And historically in our country there's been a substantial effort by former Presidents to give support and counsel and advice and criticism in private whenever there was disagreement.

I don't feel threatened by President Ford's criticisms. I don't feel disturbed about his comparison between what he would have done, had he stayed in office, compared to what I have done. I am doing the best I can.

I have a good relationship with President Ford. And he has told me that his criticisms would be private and that his advice and counsel and help would always be available to me. So, I don't feel concerned about it. But I have to say that Vice President Mondale has a right to express his opinion.

Q. Do you feel that the former President has violated his promise by making his criticisms in public then?

THE PRESIDENT. No, I don't feel he has.

OIL COMPANY DIVESTITURE

Q. Mr. President, during the campaign you said that you favored legislation that would prohibit ownership of competing types of energy. You mentioned oil and gas—or oil and coal?

When the energy package came out, there was no mention of legislation. And many who look at the situation believe that you cannot accomplish horizontal divestiture without legislation. How do you think you can accomplish it based upon the lack of success by the Justice Department?

THE PRESIDENT. Well, my position has been that unless I was personally assured that adequate competition existed under existing antitrust laws and revelation of financial information, that I would favor horizontal divestiture and divestiture on a vertical basis at the wholesale and retail levels of oil distribution.

The proposal that I made to the Congress the other night is, I think, a very strong and beneficial move to require the energy producers, the oil companies and others, to report to the public their profit and loss on each individual component of energy production: extraction from the ground, including exploration, refining, and distributing, and also break apart their domestic operations from their foreign operations.

I think when this information is analyzed, it will be almost instantly obvious that unfair competitive procedures are in effect within the energy-producing area, and the antitrust laws can take care of it.

If I ever feel convinced that there is still an absence of competition within the energy field after this proposal is put into effect, I would not hesitate to recommend divestiture.

MEDIA COVERAGE OF THE PRESIDENT

Q. Mr. President, we are having repeated opportunities, which we enjoy, to ask questions of you and the American people to hear from you. But is there a chance that there could be some overkill here with the American people and especially with Congress in terms of getting your program on energy through?

THE PRESIDENT. Well, there may be overkill in having too much access to the press. *[Laughter]*

You know, attendance at the press conferences is voluntary—*[laughter]*—and I promised during the campaign that I would have these press conferences at least twice a month. And my own inclination, my commitment, is to continue them.

It's a coincidence that this week we have had such a heavy exposure, and it has caused me some concern. But this is my first and only speech to the joint session of the Congress. I think Jody Powell has suggested to the television networks, for instance, that only one network cover these press conferences. This is something we have never asked for. The only time I have ever requested television or network coverage was for my speech to the American people Monday night about the energy problem.

But I can't disagree with you. There is a danger of overexposure of me in my presentation to the news media and to the American people. But I think this is an extraordinary week and I doubt that it would be repeated in the future.

PEOPLE'S REPUBLIC OF CHINA

Q. Mr. President, speaking just for myself, I like to have frequent press conferences although they are sometimes a little tiring.

THE PRESIDENT. I know. *[Laughter]*

Q. But to take up another foreign policy question, your son Chip was on a trip to China, has come back. I think you sent a message with him and may have gotten a message back. I wonder if you could tell us about that communication, and, specifically, are you planning a trip to China or are they planning, any of their leaders, to come here in the near future?

THE PRESIDENT. The nature of the message is one just of friendship and good will and a mutual agreement that it's in the best interests of the world and our own countries to increase communication, trade, and, ultimately, through compliance with the Shanghai agreement, to normalize relationships with China.

I don't anticipate any trips outside the country this year except my trip early next month to London. And I'll go to Geneva to meet with President Asad of Syria.

The Chinese Government have always taken the position that their leaders coming to our country would not be appropriate so long as there is an Ambassador here which represents the Republic of China on Taiwan. So, I think even from the first visits there of President Nixon and Kissinger, this has been the Chinese position. I would certainly welcome the Chinese leaders to come to Washington to meet with me as I would other leaders of nations, but I think I have described the situation now as best I can.

THE MIDDLE EAST

Q. Mr. President, you have had your attention taken away from one of the alternatives that you have been working on, the Middle East peace, recently. But I wonder if there has been any progress, movement, or additional flow going on privately during this time, if you could tell us about it?

THE PRESIDENT. Well, yes. I've continued my own study of the Middle Eastern question. As you know, I have met now with the Prime Minister of Israel and also with President Sadat of Egypt. Today I'll be meeting with Deputy Prime Minister and Foreign Minister Khaddam of Syria. And early next month I'll meet with President Asad from Syria on a brief trip to Geneva. King Hussein will be here Sunday and Monday to meet with me. And I'm trying to learn as best I can the attitudes of the different nations that are involved in the Middle Eastern dispute and to try to at least observe and analyze some common ground on which a permanent settlement might be reached.

I think it's best until I meet with all these leaders to minimize my own statements on the subject. I have outlined as best I could some of the options concerning borders, Palestine, the Palestinian people, the definition of permanent peace—those are the three major issues. But now that the foreign leaders know my own suggestions, I am trying to get responses from them before I make further comments about it.

COSTS OF THE ENERGY PROGRAM

Q. Mr. President, we, in getting briefed by Dr. Schlesinger, didn't get much in the way of costs as far as your energy package went, and some of these figures are kind of impressive that I have been hearing about.

Is it true that you are going to spend about \$13 billion on the stockpile of strategic oil, and it looks like about \$5 billion to \$10 billion in credits for corporations, tax credits for corporations? I don't know how much for individuals. But what's the total overall package cost, either by year or 5 years?

THE PRESIDENT. I'll try to give you the total cost as best I understand it.

All the way up through 1985, the total net outlay from the Federal Government, as best we can determine it—and a lot of this is conjectural, but it's based on computer analysis—would be \$4 billion. That's a cumulative figure. That's outlays compared to receipts or revenues.

But with that \$4 billion, we would have purchased and placed in storage a billion barrels of oil for a reserve in case we have an embargo or an emergency need for extraction of that oil.

So, as you can well see, we'll have, at present prices, \$13½ billion of oil owned by the Government. The total outlay, including that purchase, would only be about \$4 billion.

NATURAL GAS PRICES

Q. Mr. President, you said that you would like to see natural gas in the intrastate market regulated at \$1.75. That would mean a rollback in natural gas prices in the intrastate market. Would you be willing to compromise at a higher price in exchange for going into the intrastate market?

THE PRESIDENT. No. I think that the figure is based on equating the natural gas price throughout the Nation with its equivalent cost for the same amount of energy in oil. And as that price of oil increases over a period of time, because of inflation or otherwise, then we hope that the natural gas price both within a State and transported across State lines will stay compatible with the price of oil.

ZAIRE

Q. Mr. President, you described—Senator Clark has described Zaire as a military dictatorship. How can you regard this as a defender of human rights?

THE PRESIDENT. I have never defined Zaire as a defender of human rights. I

know that there are some problems in Zaire with human rights as there are here and in many other countries. But our friendship and aid historically for Zaire has not been predicated on their perfection in dealing with human rights. I think, as you know, our military aid for Zaire has been very modest.

We have observed some stabilizing of the situation in the southern part of Zaire lately, and I think our policy even in spite of the invasion from Angola by the Katangans has been compatible with our past policies.

Q. Are you sure there are no Cubans in that group, Mr. President?

THE PRESIDENT. I am sorry?

Q. Cubans. We hear reports from King Hassan and General Mobutu that there are Cubans there.

THE PRESIDENT. Let me—I can't certify to this because we don't have observers all over the Shaba region. Our best information is that the Katangans have been trained within Angola by the Cubans. We have no direct evidence at all that there are Cubans within Zaire.

INTERNATIONAL COOPERATION ON ENERGY

Q. What will you seek to accomplish, Mr. President, when you go to London, in the energy field, and to what extent is cooperation among the major industrial countries in the West an important factor in the success of your own energy plan?

THE PRESIDENT. I think it's accurate to say that we've now taken the leadership in moving toward a comprehensive energy policy for our Nation.

I would hope that the other nations around the world would do a similar thing. There are other aspects of the energy question, though, that must be addressed. One is atomic energy, reprocessing of spent nuclear fuels, a move toward nonproliferation of atomic explosive capa-

bility. So, there will be a very complicated interrelationship involving trade.

I think to the extent that we do conserve in our own country it would make it easier for our European allies and for Japan to meet their own energy needs. We now sap so much extra oil from the international supplies that it makes it more difficult for them.

I think this will, over a period of time, reduce the intense competition that's inevitable for dwindling supplies of oil in the face of increasing demand.

MR. CORMIER. Thank you, Mr. President.

THE PRESIDENT. Thank you very much.

NOTE: President Carter's sixth news conference began at 10 a.m. in Room 450 of the Old Executive Office Building. It was broadcast live on radio and television.

Meeting With Abd al-Halim Khaddam of Syria

White House Statement Issued Following the President's Meeting With the Deputy Prime Minister and Foreign Minister.
April 22, 1977

President Carter and President Asad of the Syrian Arab Republic have agreed to meet in Geneva on May 9. The two Presidents are looking forward to their first meeting together. They will discuss ways in which the cause of a just and lasting peace in the Middle East can be advanced. The meeting of the two leaders will also offer an opportunity to strengthen further the growing friendship between the U.S. and the Arab Republic of Syria.

The President met today with Syrian Deputy Prime Minister and Foreign Minister Abd al-Halim Khaddam in the Oval

Office for 45 minutes. The President was accompanied by Secretary of State Vance, Assistant for National Security Affairs Zbigniew Brzezinski, Assistant Secretary of State Alfred Atherton, Ambassador to Syria Richard Murphy, and NSC staff member William Quandt on the American side; and Foreign Minister Khaddam by Ambassador to the United States Sabah Kabbani, and Private Secretary Abdul Salam Aqil, on the Syrian side. The two interpreters were Samih Abu Fares on the Syrian side and Isa Sabbagh on the American side.

The President expressed his pleasure at this opportunity to meet the Minister and to discuss with him the meeting he will have on May 9 with President Asad. The President reviewed with the Minister, who is a leading participant in the continuing efforts to find a peace settlement in the Middle East, the status of those peace efforts, and discussed with him the principal issues to be resolved. The President underlined the importance he attributes to Syrian participation in these efforts, and said he was very much looking forward to going over them in depth with President Asad. He reaffirmed his determination to make a major effort to help the parties reach a comprehensive settlement of the Arab-Israeli conflict.

The President and Minister discussed the continued improvement of Syrian-American relations. The President maintained that these good relations serve not only the interests of both peoples, but also the cause of Middle East peace toward which both strive. The President asked the Minister to convey to President Asad his sincere conviction that their coming meeting will contribute to moving forward in these peace efforts.

High Commissioner of the Trust Territory of the Pacific Islands

*Nomination of Adrian P. Winkel.
April 22, 1977*

The President today announced that he will nominate Adrian P. Winkel, of Bethesda, Md., to be High Commissioner of the Trust Territory of the Pacific Islands.

Winkel is currently staff consultant on territories to the House Committee on Interior and Insular Affairs.

He was born on April 19, 1915, in Breckenridge, Minn. He received a B.A. in 1937 from St. John's University in Minnesota.

From 1937 to 1941, Winkel taught social sciences at St. John's College Preparatory School in St. John's, Minn. He attended graduate school at the University of Notre Dame in 1941 and 1942, and from 1943 to 1947 he taught at Marquette University High School in Milwaukee.

From 1947 to 1949, Winkel taught at the College of St. Thomas in St. Paul, Minn. He served as administrative assistant to Representative Eugene J. McCarthy of Minnesota, in Washington, from 1949 to 1955. From 1955 to 1957, he was assistant to the State commissioner of taxation for Minnesota.

Winkel served as commissioner of public works for St. Paul, Minn., from 1957 to 1960. From 1960 to 1961, he was chairman of the Democratic Party State Central Committee of Minnesota, and from 1961 to 1969, he was regional director of the U.S. Post Office Department for the upper mid-west region.

From 1971 to 1973, Winkel served as an assistant to Representative Phillip Burton. In 1973, he became staff consultant on territories to the Committee on Interior and Insular Affairs.

Digest of Other White House Announcements

The following listing includes the President's daily schedule and other items of general interest as announced by the White House Press Office during the period covered by this issue. Events and announcements printed elsewhere in the issue are not included.

April 16

The President met at the White House with Zbigniew Brzezinski, Assistant to the President for National Security Affairs.

April 18

The President met at the White House with:

- Dr. Brzezinski;
- Assistant to the President for Congressional Liaison Frank B. Moore;
- senior White House staff members;
- the Cabinet;
- Roy H. Jenkins, President of the Commission of the European Communities, and a group of Commission officials;
- Vice President Walter F. Mondale;
- Secretary of Agriculture Bob S. Bergland, who reported to the President on his April 13–16 tour of drought-stricken areas of California.

April 19

The President met at the White House with:

- Dr. Brzezinski;
- Mr. Moore;
- the Democratic congressional leadership;
- Bert Lance, Director of the Office of Management and Budget;
- Vice President Mondale, Secretary of the Treasury W. Michael Blumenthal, Secretary of Health, Education,

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and Welfare Joseph A. Califano, Jr., Assistant to the President James R. Schlesinger, Mr. Lance, Under Secretary of Health, Education, and Welfare Hale Champion, Assistant to the President for Domestic Affairs and Policy Stuart E. Eizenstat, and William D. Nordhaus, member of the Council of Economic Advisers, to discuss the President's energy program;

- Senator Edmund S. Muskie of Maine and Representative Robert N. Giaimo of Connecticut;
- Vice President Mondale, Adm. Stansfield Turner, Director of Central Intelligence, and Dr. Brzezinski;
- Robert A. Georgine, president of the Building and Construction Trades Department, AFL-CIO, and presidents of building and construction trades unions;
- Senators George McGovern and James Abourezk of South Dakota.

April 20

The President met at the White House with:

- Dr. Brzezinski;
- Charles L. Schultze, Chairman of the Council of Economic Advisers;
- Cabinet members who were attending a briefing on the President's energy program;
- His Holiness Pope Shenouda III, President of the See of St. Mark of Egypt.

The President transmitted to the Congress the ninth quarterly report of the Council on Wage and Price Stability, which contained a description of the Council's activities during the fourth quarter of 1976.

April 21

The President met at the White House with the following:

- Dr. Brzezinski;
- Members of Congress from the States of California, Arizona, Colorado, Nevada, New Mexico, Utah, Wyoming, Oregon, and Washington;
- Prime Minister Mario Alberto Nobre Lopes Soares of Portugal;
- Mr. Lance;
- members of the board of directors of the American Society of Association Executives.

April 22

The President met at the White House with the following:

- Dr. Brzezinski;
- John Gardner, chairman of Common Cause;
- Dr. Schultze;
- Vice President Mondale, Admiral Turner, and Dr. Brzezinski;
- Senator Russell B. Long.

The President transmitted to the Congress the 1976 Annual Plan for FY 1978-1982 of the National Cancer Program, and the 1975 annual report of the Secretary of the Interior on the activities of the Mining Enforcement and Safety Administration and the Bureau of Mines. Both reports were prepared prior to the President's term in office.

The President appointed Ruth Prokop, General Counsel-designate of the Department of Housing and Urban Development, as a member of the Board of Directors of the Federal National Mortgage Association.

NOMINATIONS SUBMITTED TO THE SENATE

The following list does not include promotions of members of the Uniformed Services, nominations to the Service Academies, or nominations of Foreign Service officers.

Submitted April 21, 1977

JOHN PATRICK WHITE, of the District of Columbia, to be an Assistant Secretary of Defense, vice David P. Taylor, resigned.

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NOMINATIONS—Continued Submitted April 21—Continued

FRANK M. TUEKHEIMER, of Wisconsin, to be United States Attorney for the Western District of Wisconsin for the term of 4 years, vice David C. Mebane, resigning.

J. JEROME BULLOCK, of Georgia, to be United States Marshal for the District of Columbia for the term of 4 years, vice George K. McKinney, resigning.

RICHARD C. ATKINSON, of California, to be Director of the National Science Foundation for a term of 6 years, vice H. Guyford Stever, resigned.

Withdrawn April 21, 1977

JOHN McGRATH SULLIVAN, of Pennsylvania, to be an Assistant Secretary of Defense, vice David P. Taylor, resigned, which was sent to the Senate on February 25, 1977.

CHECKLIST OF WHITE HOUSE PRESS RELEASES

The following releases of the Office of the White House Press Secretary, distributed during the period covered by this issue, are not included in the issue.

Released April 18, 1977

Statement: the administration's position on Clean Air Act amendments—by Douglas M. Costle, Administrator, Environmental Protection Agency (as read at his news conference in the Briefing Room at the White House)

CHECKLIST—Continued Released April 18—Continued

Announcement: release of the CIA International Energy Situation report by the White House

Advance text: address to the Nation on the energy problem

Released April 20, 1977

Advance text: address to a joint Session of Congress on the national energy program

Released April 21, 1977

Biographical data: J. Jerome Bullock, the President's nominee to be United States Marshal for the District of Columbia

Biographical data: Frank F. Tuerkheimer, the President's nominee to be United States Attorney for the Western District of Wisconsin

ACTS APPROVED BY THE PRESIDENT

Approved April 18, 1977

H.R. 5717----- Public Law 95-21
An act to provide for relief and rehabilitation assistance to the victims of the recent earthquakes in Romania.

Approved April 19, 1977

H.R. 3365----- Public Law 95-22
An act to extend the authority for the flexible regulation of interest rates on deposits and accounts in depository institutions.

PRESIDENTIAL DOCUMENTS

Week Ending Friday, April 29, 1977

John F. Kennedy Center for the Performing Arts

*Remarks at the Dedication of the Center's
African Room. April 24, 1977*

Ambassador Ahoua, Ambassador Young, Ambassador Thayer, Mr. Stevens, and distinguished guests, who have come here this afternoon to commemorate a great stride forward in mutual understanding and comprehension of peoples who have been bound together in history, sometimes in a very unfortunate way, but with an increasing awareness of the importance of our better friendship, communication, and understanding:

I know that all of you have in mind this afternoon what President John Kennedy contributed in our own country with his sensitivity and idealism about the individual rights of human beings in the struggle upward for equality in the United States. He was a shining light of dedication and high ideals. And as I have traveled around the world in different places, I've been amazed at first and increasingly gratified to know the great esteem with which John Kennedy is held in the hearts of people in many countries on Earth.

This afternoon we are opening up a room where tens of thousands of people will come to see and to experience the multifaceted character of the nations that

comprise the great continent of Africa. I know that all of you sense the growing importance of the people who live in Africa as they have taken their place since the Second World War in an increasing way in the councils of world political affairs, economic growth, and a sense of quiet but sure strength and confidence.

As the President of the United States now, I have become increasingly aware of the threat to world peace if we don't acquire a sure comprehension of the hopes and the dreams, the frustrations and concerns of the people who live in Africa. And I believe that it is very important this afternoon for use to comprehend the significance of this growing awareness.

I have had a lot of good teachers in the last 3 months since I have been President, in learning about Africa. I am always interested in what Andy Young is going to say—[laughter]—to me, one of his best students. And I think Andy has brought for our country as Ambassador to the United Nations a very sure sense of many of the compatibilities between the upward movement of human beings who have previously been deprived in their growing status in our own country's society and all its facets, and the sure struggle upward for recognition and appreciation that exists among the people of Africa today.

Both movements are worthy, both movements are gratifying, both move-

ments are exhilarating and inspiring, and both movements are sure of ultimate success.

And I am very grateful this afternoon to be part of the ceremony which will increasingly bind us together in a realization of the commonality of human beings, no matter what continent might be our home. And this African Room, I think, will be a great stride forward in that respect.

I want to express my thanks in closing to all those in the nations of Africa who wanted to signify their own capabilities and independence by financing this great step forward in cultural acquirement and friendship on their own; the fact that all the funds for financing this beautiful room have been raised in Africa is very good.

And I think this shows again the sense of equality and the sense of common dedication that has bound, does bind, and will bind our people ever closer together in the historical years that lie ahead for all of us.

Thank you very much.

NOTE: The President spoke at 6:10 p.m. In his opening remarks, he referred to Timothé Ahoua, Ambassador to the United States from the Ivory Coast, Andrew J. Young, U.S. Representative to the United Nations, Robert H. Thayer, former U.S. Minister to Romania, and Roger L. Stevens, Chairman of the Kennedy Center's Board of Trustees.

Visit of King Hussein I of Jordan

Remarks of the President and King Hussein at the Welcoming Ceremony. April 25, 1977

THE PRESIDENT. One of the most delightful experiences that a President can have is to welcome, on behalf of more than 200 million Americans, leaders of other nations who have been staunch friends and

permanent allies of our country during times of crisis and times of progress.

This is the silver jubilee of the reign of King Hussein of Jordan. Twenty-five years ago, he began his enlightened leadership of a people who have always been close to us.

The first time he came to our country as a leader of his great people was when President Eisenhower was in office more than 18 years ago.

King Hussein has been a frequent visitor to our Nation because of his interest in us, because of his friendship toward us, and because of the value that we ascribe to constant consultation with him to derive the benefit of his sound advice and constant sharing of mutual opportunities and, on occasion, mutual problems.

This year, 1977, is a special time. It's one when we face possible opportunities for major strides toward permanent peace in the Middle East. It would be a mistake to be too optimistic, because of the serious nature of the divisions that have long separated one people from another in the Eastern Mediterranean region. But if there is one leader who is a key to the comprehension of the problems and also the analysis of possible solutions, it would be King Hussein.

This will be a working trip for him. He's offered to meet with me, to give me counsel, and to give me advice on how our own country might play a role in bringing the interested parties together, perhaps toward some steps toward a resolution of longstanding problems.

Immediately after this ceremony, he and I will begin our meetings with his Cabinet officers and my own. He will also be meeting with other leaders of our Government during the next 2 days. I'll be with him tonight and again tomorrow. And I expect to learn a lot from King Hussein about how our own country

might participate in the effort to bring peace to a troubled region.

It's with a great deal of pleasure and genuine friendship and appreciation for his own interest in our Nation and our future that I welcome, on behalf of the American people, to our country, my good friend and a friend of our country through the historic years past and in the future, King Hussein of Jordan.

Thank you very much for coming with us. We're glad to have you here.

KING HUSSEIN. Mr. President, thank you most sincerely for your kind invitation, your hospitality, and your warm and moving words of welcome. I bring to you the greetings of the people of Jordan.

Although this is our first meeting, Mr. President, I very much feel that I already know you. Few world statesmen in recent memory have so clearly and unmistakably defined the personal responsibility of people in high government positions. You have recognized that those who make decisions on behalf of the nation must reflect a code of behavior equal to that of the nation as a whole.

You, therefore, have rejected the cynical notion that morality has no place in the foreign affairs of states. By so doing, you have demonstrated a breadth of vision and personal conviction that has captured the hopes of people all over the world.

Your outlook is one which I am convinced has practical application to the problems in the Middle East, for in the long run, that which is moral is also that which is most practical and lasting.

I have great confidence that faithful to your conviction, you will analyze with equal respect the conflicting viewpoints on the Middle East problems.

In the past, we have suffered from a gap of communication between the

United States and the Arab world. We in the Arab world are assured that your commitment to moral principle, as well as to the national interest of your country, will enable you to grasp the elements of justice in the Middle East conflict and in the search for peace.

Mr. President, I look forward to a most candid and fruitful dialog. Our talks will afford us an opportunity to deepen the mutual respect that has existed between our two countries and to advance our constant efforts to find a just and lasting peace in the Middle East.

The Arab States earnestly desire mutually beneficial relationships with the United States. Jordan, of course, has always maintained close ties with the United States—ties based not only on convergent national interests but, more important, on shared ideals reflected always in independently conceived foreign policies.

From these roots has grown over the past two decades strong friendship. This friendship in the past has been a basis for, not a consequence of, close cooperation between our countries.

Mr. President, the United States has great resources to influence positively the cause of advance in the Middle East. Jordan is ready to play its full part in the quest for a just and lasting settlement.

My greatest wish is that this visit will contribute not only to a strengthening of the bonds between our two countries but to a final resolution of the problems of the Middle East.

The attainment of peace is vital to the people of the Middle East, to the people of the United States, and to people everywhere.

Thank you, Mr. President.

NOTE: The President spoke at 10:34 a.m. on the South Lawn of the White House.

Council on Wage and Price Stability

Appointment of Eight Members and Four Adviser-Members and Designation of Chairman. April 25, 1977

The President has appointed the following persons to be members and adviser-members of the Council on Wage and Price Stability:

Members:

CYRUS VANCE, Secretary of State
W. MICHAEL BLUMENTHAL, Secretary of the Treasury
JUANITA M. KREPS, Secretary of Commerce
RAY MARSHALL, Secretary of Labor
PATRICIA R. HARRIS, Secretary of Housing and Urban Development
THOMAS BERTRAM LANCE, Director of the Office of Management and Budget
CHARLES SCHULTZE, Chairman of the Council of Economic Advisers
STUART EIZENSTAT, Assistant to the President for Domestic Affairs and Policy

Adviser-members:

GRIFFIN B. BELL, Attorney General
CECIL D. ANDRUS, Secretary of the Interior
JOSEPH A. CALIFANO, JR., Secretary of Health, Education, and Welfare
ROBERT S. STRAUSS, Special Representative for Trade Negotiations

In addition, the President designated W. Michael Blumenthal as Chairman of the Council on Wage and Price Stability.

Department of Housing and Urban Development

Nomination of William A. Medina To Be an Assistant Secretary. April 25, 1977

The President today announced that he will nominate William A. Medina, of Takoma Park, Md., to be Assistant Secre-

tary of Housing and Urban Development for Administration. Medina is Chief of Executive Development and Training at the Office of Management and Budget.

He was born on October 28, 1935, in Washington, D.C. He received B.A. and M.A. degrees in history from George Washington University. He received a Ph. D. in political science from American University in 1976.

Medina began his Federal service with the Corps of Engineers in 1960 and later served in the personnel office at NASA. From 1963 to 1971, he served with the Civil Service Commission, serving as Director of Training, Manager of the Financial Management and PPBS Training Center, and then as manager of a research and development group.

After joining OMB in 1971, Medina worked on program analysis relating to intergovernmental affairs, ADP system development, and personnel legislation, and was the Spanish-speaking coordinator for OMB. He later served as director of a policy analysis and implementation group concentrating on development of a Government-wide strategy for executive development.

Medina has been active in the American Society for Public Administration (ASPA), serving as president of the National Capital Area Chapter and member of the National Council. He is also a trustee of the National Academy of Public Administration.

A member of the board of directors of the United Black Fund, Medina is also treasurer of the Federal Executive Institute Alumni Association and will serve as that organization's next president. He is a founder and associate editor of the *Bureaucrat*, a quarterly journal for public administrators.

Department of the Army

Nomination of Percy A. Pierre To Be an Assistant Secretary. April 25, 1977

The President today announced that he will nominate Percy A. Pierre, of Washington, D.C., to be Assistant Secretary of the Army (Research and Development). Pierre is dean of the School of Engineering of Howard University.

He was born on January 3, 1939, in St. James Parish, La. He received a B.S. in 1961 and an M.S. in 1963 from the University of Notre Dame. He received a Ph. D. from Johns Hopkins University in 1967 and was a post-doctoral fellow at the University of Michigan in 1968.

From 1968 to 1971, Pierre was a researcher for the Rand Corporation. During 1969–70, he was on leave from Rand to serve as a White House Fellow.

Pierre has been dean of the School of Engineering at Howard since 1971. From 1973 to 1975, he took a halftime leave from Howard to serve as a program officer for the Alfred P. Sloan Foundation.

He has served as a consultant to the Center for Naval Analyses, BDM Corporation, and the National Science Foundation. Pierre was named Outstanding Black Engineer by the National Consortium for Black Professional Development.

United States Ambassador to Cameroon

Nomination of Mabel M. Smythe. April 25, 1977

The President today announced that he will nominate Mabel M. Smythe, of Newtown, Conn., to be Ambassador Extraordinary and Plenipotentiary of the United

States to the United Republic of Cameroon. She is presently vice president of the Phelps-Stokes Fund in New York City.

Smythe was born on April 3, 1918, in Montgomery, Ala. She received a B.A. in 1937 from Mount Holyoke College, an M.A. in 1940 from Northwestern University, and a Ph. D. in 1942 from the University of Wisconsin.

From 1942 to 1945, she was an assistant professor at Lincoln University. She was a professor at Tennessee Agricultural and Industrial State University in 1945–46 and at Brooklyn College in 1946–47. From 1951 to 1953, she was an instructor at Shiga University in Japan.

In 1953 Smythe served as deputy director of research for the NAACP Legal Defense and Education Fund for preparation of school desegregation cases. She was an instructor at New Lincoln High School from 1954 to 1959 and principal of the school from 1959 to 1969.

She has been director of research and publications for the Phelps-Stokes Fund since 1970 and vice president of the fund since 1972. In 1973–74, she served as scholar in residence of the U.S. Commission on Civil Rights.

She was a member of the Advisory Commission on Educational Exchange in 1961–62 and of the Advisory Commission on International Educational and Cultural Affairs from 1962 to 1965. From 1962 to 1969, she served as a member of the State Department Advisory Council on African Affairs.

Smythe was a U.S. delegate to the 13th General Conference of UNESCO in Paris in 1964 and a member of the U.S. National Commission for UNESCO from 1965 to 1970. She was co-director of the African seminar for presidents of black colleges in 1971.

She is the editor of "The Black American Reference Book" (1976), co-editor of "Curriculum for Understanding" (1965), and coauthor of "The New Nigerian Elite" (1960) and "Intensive English Conversation" (1953), and a contributor and contributing editor to other books and journals.

She is a member of the Council on Foreign Relations, the Caucus of Black Economists, the National Council of Women of the United States, and a board member of the National Association of Black Professional Women in Higher Education.

United States Ambassador to Malta

Nomination of Lowell B. Laingen.
April 25, 1977

The President today announced that he will nominate Lowell B. Laingen, of Butterfield, Minn., to be Ambassador Extraordinary and Plenipotentiary of the United States to the Republic of Malta. Laingen was appointed to this position during the last recess of the Senate in November 1976.

He was born on August 6, 1922, in Odin Township, Minn. He received a B.A. from St. Olaf College in 1947 and an M.A. from the University of Minnesota in 1949. He served in the U.S. Navy from 1943 to 1946.

Laingen served as a foreign affairs analyst at the State Department from 1949 to 1950. From 1951 to 1953, he was visa officer in Hamburg, and in 1953-54 he was an economic officer in Tehran. In 1954 and 1955, he was acting principal officer in Meshed.

In 1955 Laingen served as an economic officer in Tehran. From 1956 to 1958, he was deputy officer in charge of Greek affairs at the State Department, and from 1958 to 1960 he was officer in charge of Greek affairs. From 1960 to 1964, he served as political officer in Karachi.

From 1964 to 1967, Laingen was officer in charge of Pakistan-Afghanistan affairs and then political officer at the State Department. He attended the National War College in 1967-68. From 1968 to 1971, he was Deputy Chief of Mission in Kabul.

Laingen was country director for Pakistan-Afghanistan from 1971 to 1973, and for India, Nepal, Sri Lanka, and the Maldives Islands in 1973-74. In 1973-74 he was also Acting Deputy Assistant Secretary in the Bureau of Near Eastern and South Asian Affairs.

Laingen was Deputy Assistant Secretary in the Bureau of European Affairs from 1975 until 1976, when he received the recess appointment as Ambassador to Malta.

United States Ambassador to Botswana, Lesotho, and Swaziland

Nomination of Donald R. Norland.
April 25, 1977

The President today announced that he will nominate Donald R. Norland, of Mason City, Iowa, to be Ambassador Extraordinary and Plenipotentiary of the United States to Republic of Botswana, to the Kingdom of Lesotho, and to the Kingdom of Swaziland. Norland is presently serving as Ambassador to these

countries under appointment made during the last recess of the Senate.

He was born on June 14, 1924, in Laurens, Iowa. He received a B.A. in 1948 and an M.A. in 1950 from the University of Minnesota. He served in the U.S. Navy from 1943 to 1946.

Norland was an instructor at Iowa State Teachers' College from 1949 to 1951 and a teaching fellow at the University of Michigan in 1951-52. He entered the Foreign Service in 1952 and served as public affairs officer, then political officer, in Rabat until 1956.

From 1956 to 1957, he was international relations officer for North African affairs at the Department of State, and from 1957 to 1958 he was Moroccan desk officer at the Department. From 1958 to 1960, he was principal officer in Abidjan, and beginning in August 1960 he also served as Chargé d'Affaires to Upper Volta, Niger, and Dahomey.

From 1961 to 1963, Norland was political officer, Paris (USRO), for the United States Delegation to NATO. From 1963 to 1964, he was on detail to the Air Command and Staff College at Maxwell Air Force Base.

Norland served as political officer, then counselor for political affairs, at The Hague from 1964 to 1969. In 1969-70 he attended Stanford University as a State Department Fellow. From 1970 to 1972, he was Deputy Chief of Mission in Conakry.

Norland served as a political-military affairs officer at the Department from 1972 to 1973 and as a personnel officer from 1973 to 1975. He was Deputy Director for Management Operations in the Office of the Deputy Under Secretary for Management from 1975 to 1976, when he received the recess appointment as Am-

bassador to Botswana, Lesotho, and Swaziland.

United States Ambassador to the Union of Soviet Socialist Republics

*Nomination of Malcolm Toon.
April 25, 1977*

The President today announced that he will nominate Malcolm Toon, of Bethesda, Md., to be Ambassador Extraordinary and Plenipotentiary of the United States to the Union of Soviet Socialist Republics. He is presently serving as Ambassador under appointment made during the last recess of the Senate.

Toon was born on July 4, 1916, in Troy, N.Y. He received an A.B. from Tufts University in 1937 and an M.A. in 1938 from the Fletcher School of Law and Diplomacy. He served in the U.S. Navy from 1942 to 1946.

From 1939 to 1942, Toon was a research technician for the National Resources Planning Board. He served as administrative officer in Warsaw from 1946 to 1949 and as political officer in Budapest from 1949 to 1950.

From 1951 to 1952, Toon was consular and political officer in Moscow. He was political officer in Rome from 1952 to 1953, and political officer, then chief of consular affairs in Berlin from 1953 to 1956.

From 1956 to 1958, Toon served as deputy director of the East-West contacts staff. From 1958 to 1960, he was special assistant for Eastern European affairs, and an adviser to the U.S. Test Ban Treaty Delegation in Geneva in 1958, the U.S. Berlin Four Power Con-

ference in Geneva in 1959, and the U.S. Disarmament Delegation in Geneva in 1960.

Toon served as political officer for Eastern European affairs in London from 1960 to 1963, and as political counselor in Moscow from 1963 to 1965. From 1965 to 1968, he was Director of Soviet Affairs at the State Department.

In 1968 and 1969, Toon was Acting Deputy Assistant Secretary of State for European Affairs. From 1969 to 1971, he was Ambassador to the Czechoslovak Socialist Republic, and from 1971 to 1975 he was Ambassador to Yugoslavia.

Toon served as Ambassador to Israel from 1975 until 1976, when he received the recess appointment as Ambassador to the Union of Soviet Socialist Republics.

Prayer for Peace, Memorial Day, May 30, 1977

Proclamation 4504. April 25, 1977

*By the President of the United States
of America*

A Proclamation

The greatest honor we can pay those who have given their lives in our Nation's defense is to serve the ideals for which they died.

We properly honor these men and women on Memorial Day—as we honor those who fought and lived, to continue the struggle for peace, freedom, justice, and human rights.

Those of us who survived the battle, or who never had to bear it, must work to assure that no American will ever be asked to offer up his or her life in war unless the survival of our Nation or of democracy itself is at stake.

Let us remember on Memorial Day those who have lived and died in pursuit of a just peace. Let us pray that, like them, we will leave behind us a stronger Nation and a better world.

In tribute to those Americans who have died for their country, and to those who survived to carry on their unfinished work, the Congress, by joint resolution of May 11, 1950 (64 Stat. 158), has requested the President to issue a proclamation calling upon the American people to observe each Memorial Day as a day of prayer for permanent peace.

Now, THEREFORE, I, JIMMY CARTER, President of the United States of America, do hereby designate Memorial Day, Monday, May 30, 1977, as a day of prayer for permanent peace, and I designate the hour beginning in each locality at 11 o'clock in the morning of that day as a time to unite in prayer.

I urge the press, radio, television, and all other information media to join in this observance.

I call upon the appropriate officials of all levels of government to fly the flag at half-staff until noon during Memorial Day on all buildings, grounds, and naval vessels throughout the United States and in all areas under its jurisdiction and control. I request the people of the United States to display the flag at half-staff from their homes for the same customary forenoon period.

IN WITNESS WHEREOF, I have hereunto set my hand this twenty-fifth day of April, in the year of our Lord nineteen hundred seventy-seven, and of the Independence of the United States of America the two hundred and first.

JIMMY CARTER

[Filed with the Office of the Federal Register,
12:50 p.m., April 25, 1977]

Health Care Legislation

*Remarks at a News Briefing on the Administration's Proposals.
April 25, 1977*

Good morning, everybody.

This morning I have a statement to make about a message that I've just sent to Congress concerning health for the American people. This year in the United States we'll spend about \$160 billion on health, which is about \$700 for every man, woman, and child in our country.

Just to pay health bills for a family, the average wage-earner has to labor for an average of one full month. The cost of health care has increased 1,000 percent, way the last number of years, at an inflation rate roughly double the cost of other items in the American family budget.

Since 1950, for instance, the cost of health care has increased 1,000 percent, costing eight times more now than it did back in 1950. And unless we do something about it, the cost of health care will double again in the next 5 years, at an annual inflation rate that we are presently experiencing of about 15 percent per year.

I've sent to the Congress today, with the help of Secretary Joe Califano, a proposal for hospital cost containment which, through a carefully defined and a very fair formula, will put a limit on the increase in hospital costs. We anticipate that this proposal, if implemented by Congress, would save about \$2 billion next year alone. Mr. Califano can explain the exact formula, but it would permit an increase in hospital costs within the next 12 months of about 9 percent.

Along with that proposal, we are also sending to the Congress a separate one involving a child health assessment program wherein early in a child's life ade-

quate examinations will be given to the child to detect at a very early age presently existing or potential health problems, so that with a minimum expenditure of effort and funds and with a minimum adverse effect on the child's life, those potential problems might be corrected.

These two proposals go well together. And I don't believe that we are going to be able to solve our Nation's health problems and to have a comprehensive health program—which we will evolve—unless we have these two early proposals well on their way to control the runaway costs of hospital care and to deal in a preventive fashion with threats to the health of American citizens at an early age.

I'd like to introduce now for a question period, the Secretary of Health, Education, and Welfare—Joe Califano.

NOTE: The President spoke at 12:35 p.m. in the Briefing Room at the White House.

On the same day, the White House Press Office released the transcript of the news briefing by Secretary Califano on the legislation.

Health Care Legislation

Message to the Congress. April 25, 1977

To the Congress of the United States:

This country spends more on health care than any other nation—\$160 billion this year, almost nine percent of our Gross National Product. We have the finest medical facilities and highly skilled, dedicated health professionals. Yet many of our people still lack adequate medical care, and the cost of care is rising so rapidly it jeopardizes our health goals and our other important social objectives.

I am transmitting to the Congress two major pieces of legislation to improve our health care system: The Hospital Cost

Containment Act of 1977 to hold down rising health care costs, and the Child Health Assessment Program (CHAP) to improve health services for children of low-income families.

I. Hospital Cost Containment Act of 1977.

First, I am today proposing legislation which will limit the growth of the major component of health cost increases—rising hospital expenditures. The Hospital Cost Containment Act will restrain increases in the reimbursements which hospitals receive from all sources: Medicare, Medicaid, Blue Cross, commercial insurers, and individuals. The limit will be set using a formula which not only reflects general inflation, but also extends to hospitals an additional allowance for improving their quality of care. Based on current trends, the limit for fiscal year 1978 will be approximately nine percent.

The legislation will also impose a limit on new capital expenditures for acute care hospitals. The program will fix a national level for such expenditures below that of recent years and allocate new capital spending among the states by formula. With the assistance of local planning agencies, each state will determine which facilities merit new capital expenditures.

Specifically, the Hospital Cost Containment Act of 1977 will:

—Limit the in-patient reimbursements of acute care hospitals, excepting new hospitals, federal hospitals and Health Maintenance Organization (HMO) hospitals.

—Provide an automatic formula to adjust the nine percent limit for moderate changes in expected patient load. The formula will contain strong incentives to discourage unnecessary hospitalization.

—Include an adjustment for hospitals which provide wage increases to their non-supervisory employees.

—Provide an exceptions process for the small percentage of hospitals which will undergo extraordinary changes in patient loads or major changes in capital equipment and services. The program will require the Department of HEW to respond to any application for an exception within 90 days.

—Disallow in the computation of a hospital's base cost any unwarranted expenditures made in anticipation of the implementation of the program.

—Allow states which operate cost containment programs, and are capable of meeting the federal program's criteria, to continue their own regulatory approaches.

This program will save about \$2 billion in fiscal year 1978—over \$650 million in the federal budget, over \$300 million in state and local budgets, and almost \$900 million in private health insurance and payments by individuals. In fiscal year 1980, total savings will exceed \$5.5 billion.

These savings will show a devastating inflationary trend, which doubles health costs every five years. This year health care will cost an average of over \$700 for every man, woman, and child. Each worker's share of our Nations health bill will require more than a month's work.

For the federal budget, rising health spending has meant a tripling of health outlays over the last eight years. Without immediate action, the Federal government's bill for Medicare and Medicaid—which provide health care for our elderly and poor citizens—will jump nearly 23 percent next year, to \$32 billion.

Rising health costs attack state and local governments as well. State and local Medicaid expenditures have grown from \$3 billion in 1971 to \$7 billion in 1976, forcing cutbacks which harm the low income recipients of the program.

Unrestrained health costs also restrict our ability to plan necessary improvements in our health care system. I am

determined, for example, to phase in a workable program of national health insurance. But with current inflation, the cost of any national health insurance program the Administration and the Congress will develop will double in just five years.

Finally, uncontrolled medical care spending undermines our efforts to establish a balanced health policy. Medical care is only one determinant of our people's health. The leading cause of death for Americans under 40 is motor vehicle accidents. The leading causes of death for older Americans—heart disease and cancer—are directly related to our working conditions and our eating, drinking, smoking, and exercise habits. We can better confront these broader health problems if we can limit the increase in soaring medical care costs.

Containing hospital cost increases is of central importance. Hospitals absorb 40 cents from each of our nation's health care dollars, and the cost of hospital service is rising faster than the cost of other health services. As in recent years, our country's total hospital bill this year will climb 15 percent—to \$64 billion.

Since 1950, the cost of a day's stay in the hospital has increased more than 1,000 percent—over eight times the rise in the Consumer Price Index. Today, the average hospital stay costs over \$1,300; just 12 years ago, a slightly shorter stay cost less than \$300. This relentless increase places a severe burden on all of us—and strikes hardest at the poor and the elderly.

To control escalating hospital costs, some have proposed to cap Medicare and Medicaid expenditures. Such a federal spending limit would encourage hospitals to reduce their services to low-income and elderly patients and to recoup rising expenses by increasing their charges to all other Americans. In contrast, the legislation I am proposing today reduces the

growth in federal Medicare/Medicaid expenditures without imposing such severe new burdens on other purchasers of health services.

This legislation is not a wage-price control program. It places no restrictions on the hospital's ability to determine its charges for any particular service. It places no limit on the size of any wage demand or settlement. The program establishes an overall limit on the rate of increase in reimbursements, permitting doctors and hospital administrators to allocate their own resources efficiently, responding to local needs and individual circumstances.

This proposal relies heavily on the initiatives of the private sector. For it to succeed, businesses, unions, and insurers, working with providers, must continue to pursue innovative techniques for reducing the cost of high-quality health care. The private sector's response to the challenges of cost containment will help decide its future role in our health care system.

The federal sector must also hold down the costs of its own hospitals. The Administration will carefully review the operating and capital expenditures of federal health facilities, to insure that unwarranted increases do not occur. Further, we will eliminate unnecessary federal regulations which lead to increased costs for all hospitals.

Our hospital cost containment system is transitional. It is intended to flow directly into a long-term prospective reimbursement system, which will not accept a hospital's base cost as given. The long-term system will be able to analyze and compare base costs and provide greater incentives to those hospitals which are most efficient. The Congress and the Administration are already at work on this long-range system.

At the same time, I am committed to strengthening competition in the health

industry. For example, we should encourage HMOs and other organizational arrangements which give providers an incentive to reduce costs, and we should encourage consumers to become more aware of the charges of different providers.

Finally, all of us—consumers and providers—must work together to reduce the unnecessary use of hospital facilities and services. By cutting down excessive utilization we can help preserve our valuable resources.

II. Child Health Assessment Program (CHAP).

The second piece of legislation I am proposing today, the CHAP Program, will replace Medicaid's Early and Periodic Screening, Diagnosis and Treatment Program (EPSDT) for children. The CHAP legislation, which calls for new expenditures of \$180 million, will:

- Raise from 55 percent to over 75 percent the average federal payment to the states for health care provided to children whose health needs are assessed under the program.

- Extend benefits to children under age six whose family income level makes them eligible for assistance but who do not meet additional state eligibility requirements.

- Encourage states to assure the availability of comprehensive health providers for low-income children.

- Assure continuity of treatment by providing care for children six months after the family's eligibility for assistance otherwise terminates.

- Improve the federal program enforcement mechanism.

Like the cost containment program, the CHAP legislation is a crucial first step. Other children's health programs also require significant improvement, and the Administration will take steps to meet

these needs. But the CHAP program is urgently needed to assure that more low-income children receive regular, high-quality primary and preventive care.

Currently, twelve million children are eligible for Medicaid yet the EPSDT program is reaching only two million. Further, only slightly more than half of all children screened actually receive treatment for conditions that are identified. The CHAP program will assist the states in rectifying these deficiencies.

I call upon the Congress to act favorably on both of our new health initiatives.

JIMMY CARTER

The White House,
April 25, 1977.

Visit of King Hussein I of Jordan

Toasts of the President and King Hussein at a Dinner Honoring His Majesty.
April 25, 1977

THE PRESIDENT. The first thing I want to do tonight is to welcome all of you to the White House to join with me in expressing our appreciation to a courageous man who's come to visit our country again.

This is his silver jubilee year. He's been in office now 25 years. And as I said this morning when we had the welcoming ceremony, he has been here to visit frequently; the first time, I believe, 18 years ago.

On this trip, he's going to be traveling around the country. He's going down to one of the better parts of our Nation, Atlanta, and then further south, a little too far south, perhaps, to Orlando. He's going to bring his young children over to join him and enjoy our beautiful country.

For a number of years we've enjoyed his friendship, and the close interrelation-

ship that has existed between Jordan and the United States has been a great stabilizing force in the Middle East. In spite of the disharmonies that have existed there now for 29 years, there never has been a threat to the close cooperation and communication and friendship between Jordan and our country. And we are very delighted to have tonight the leader of that country come to see us.

We had a very fruitful discussion today about past history—which I have just described briefly—and the future. We recognize the difficulty of resolving the historical animosities that have existed in the Middle Eastern region. But I think there is almost a unanimous belief among the leaders with whom I've discussed this subject that 1977 can be a propitious year for major strides toward permanent peace.

We are blessed with a deep awareness of the devastation of previous wars. There is a widespread sense of waste and frustration in spending so much of a country's resources on weapons, when economic progress and better health care and education needs cry out to be met. And when Secretary Vance visited all the leaders in the Middle Eastern region, a unanimous statement was, "We wish that we could stop spending so much on the weapons of war."

I think there is also a sense of hope in the character of the leaders this year. We are blessed with a sense of moderation and an inclination toward peace.

And I think the last thing I'd like to mention is that all of us feel that because of these circumstances that an extraordinary effort is worthwhile during 1977. And unless we make some substantive progress toward resolving the historical differences, it may be a long time in the future before we can mount such an effort again.

By the end of May, I will have met with all the leaders of the countries involved and will have listened to their thoughts, their hopes, and their dreams and their plans for peace.

I think there is a general sense that the countries there trust our Nation, at least more than any other nation is trusted. And it puts a tremendous responsibility on me and the Vice President, the Secretary of State, and others not to betray that trust, to be fair and open and honest in our own discussions with the leaders who have honored us by coming to our Nation to visit.

I don't know whether or not we will be successful this year. That's a very difficult thing to predict. But I believe that one of the great potential benefits that we can observe and use is the courage and sound judgment and experience and the seniority and a sensitivity and, I think I can say accurately, the unselfishness of King Hussein of Jordan.

He's a natural leader. He's quiet-spoken, but firm. He's honest and courageous. He's our friend, and he's a good adviser and instructor for me, a new President, as I join with many of you around this table in searching for some opportunities to resolve differences that have divided peace-loving people too long.

So, I'd like to propose a toast now to a courageous King, to the people of Jordan, to King Hussein. Welcome to our country, sir.

KING HUSSEIN. *Mr. President, my dear friends:*

It's a privilege and an honor for me to be here, to have this wonderful opportunity to meet with you, sir, and to meet with friends once again, to bring you the sincerest wishes of the people of Jordan for every success not only in leading the people of this great Nation but in fulfilling the aspirations and hopes of so many throughout the world.

I thank you, Mr. President, for the opportunity you gave me today to speak to you frankly and to hear your views on many of the problems that beset the part of the world from which I come.

I can only say that despite the feeling that I have had which has caused me to be cautious in regard to the possibilities of real, genuine progress toward a solution to the Middle East problems, I have, as a result of meeting you, sir, and our friends today, felt more encouraged and more hopeful than I have for a very long time.

To me, sir, humility is one of the most important qualities in this world and in life and one of the greatest signs of greatness. Your humility, your genuine interests in problems of others, your courage and your vision, your desire to know the truth are all most encouraging to me and to those who have come with me from Jordan.

I am sure this feeling is shared by others who have had the privilege of meeting you, and I am sure that many others will share with us these feelings.

Twenty-five years have been short and long at the same time. Whatever remains, God willing, I will dedicate to one and one objective only: to do all I can that the future generations enjoy a better life than that which they would have had to live.

My greatest hope and dream is to feel that in some way I may, in what remains of life, contribute towards a just, a lasting peace, one which would enable all the people in our area to divert their energies and resources to build and attain a brighter future with stability that is their right. I pledge to you, sir, that I will do all that I can to work very closely with you towards that end.

Our faith in you is great, our pride and our friendship, and the pride in the fact that the same ideals are upheld by us, the

same objectives are dear to us, and we share the same hopes for a better future.

I wish you every success. I will pray for you. And you can rest assured of our genuine desire to do all we can for us to arrive at our common objectives.

I thank you for your courtesy and your kindness and the warmth of your feelings. I treasure our friendship.

Gentlemen, I'd like you to join me in drinking a toast to the President of the United States.

NOTE: The President spoke at 8:40 p.m. in the State Dining Room at the White House.

Visit of King Hussein I of Jordan

Remarks to Reporters Following King Hussein's Departure. April 26, 1977

THE PRESIDENT. How do you like the weather?

REPORTER. It's a beautiful day.

THE PRESIDENT. If it stays this pretty long enough, I might change my mind and run for reelection. [Laughter] I am beginning to like it around here.

Q. How did it go, Mr. President?

THE PRESIDENT. Just fine. It was one of the most productive and enjoyable visits we have had.

Q. Mr. President, could you clarify a point? On the participation of the Palestinians and the possible participation in a Jordanian delegation, do you mean PLO representatives or Palestinians who are not part of the PLO?

THE PRESIDENT. Well, it's too early to start spelling out specifics about that. The one thing I might add, on which all the leaders seem to agree, is that the more agreement that we can reach before going to Geneva, the less argument there is going to be about the form of the Palestinian representation.

And I think unless we see some strong possibility for substantial achievements before a Geneva conference can be convened, unless we see that prospect, then I think it would be better not to have the Geneva conference at all.

So far, though, I have been encouraged. I think it would be a mistake to expect too much. The differences are very wide and long-standing and deep. But I found a strong desire among all the leaders with whom I met so far to marshal extraordinary efforts during this year because of the moderate leadership that exists in the Middle East and because of the experiences that have been so devastating in the past. So, we are all determined to do the best we can in '77.

I think that the exact composition of the delegations, involving the Palestinians, of course, and the interrelationships that exist among the Arab nations—whether part of the discussions would be done as a group and part of them on a bilateral basis, those kinds of things have to be worked out.

After I've finished meeting all the leaders in May, a strong likelihood is that we would consolidate our own analysis of the remaining problems and possible answers to questions, and then Secretary Vance would go back to the Middle East for another complete round of talks with the leaders involved.

Those are our present plans, and so far the leaders in the Middle East have agreed with that.

Q. May I follow that up, Mr. President?

THE PRESIDENT. I think that is probably about all I need to say.

Q. But you do seem more pessimistic than before Hussein came.

THE PRESIDENT. No, I am not more pessimistic. I think it would just be a mistake for us to be overly optimistic. To raise expectations too high would be—I think would be potentially very damaging.

I think after May, though, we'll have a much clearer concept of what can be done.

Q. Did you learn anything new from Hussein?

THE PRESIDENT. Yes, I did. He is a very good instructor, and I am a very eager student.

NOTE: The President spoke at 11:40 a.m. on the South Grounds of the White House.

The transcript of the President's remarks was made available by the White House Press Office. It was not issued in the form of a White House press release.

Dam Safety

Memorandum to the Heads of Certain Federal Agencies. April 23, 1977

Memorandum for the Secretary of the Interior, the Secretary of Agriculture, the Secretary of the Army, the Director, Office of Management and Budget, the President's Adviser on Science and Technology, the Chairman, Federal Power Commission, the Chairman, Tennessee Valley Authority, the Commissioner, U.S. Section, International Boundary and Water Commission

The safety of dams has been a principal concern of Federal agencies that are involved with the various aspects of their planning, construction, operation and ultimate disposal. Events of the past several years have highlighted the need to review procedures and criteria that are being employed by these agencies with the objective of ensuring that the most effective mechanisms are established to give the best assurance of dam safety possible within the limitations of the current state of knowledge available to the scientific and engineering communities. The safety of such projects should continue to be accorded highest consideration, and it is the responsibility of the head of each agency con-

cerned to ensure the adequacy of his agency's dam safety program.

I. Agency Dam Safety Reviews

The head of each Federal agency responsible for, or involved with site selection, design, construction, certification or regulation, inspection, maintenance and operation, repair and ultimate disposition of dams shall immediately undertake a thorough review of practices which could affect the safety and integrity of these structures. This review will encompass all activities which can be controlled or regulated by the agency.

Several aspects of the problem require special attention. In particular, the following items should be investigated: the means of inclusion of new technological methods into existing structures and procedures; the degree to which probabilistic or risk-based analysis is incorporated into the process of site selection, design, construction, and operation; the degree of reliance on in-house, interagency, and outside expert interpretation of geologic data in site selection and design development; the effect on dam safety of earthquake or other earth movement hazards; the effects of cost-saving incentives on decisions both prior to and during construction; the procedures by which dam safety problems are identified, analyzed and solved; the involvement of local communities in identifying, analyzing and solving dam safety questions; and the major outstanding dam safety problems of the agency.

II. Interagency Report and Proposed Guidelines

The Chairman of the Federal Coordinating Council for Science, Engineering and Technology (FCCSET) shall convene an *ad hoc* interagency committee to coordinate dam safety programs, seeking consistency and commonality as appro-

priate, and providing recommendations as to the means of improving the effectiveness of the Government-wide dam safety effort. The agency reviews described above should be provided to the FCCSET as a basis for the interagency analysis on a timetable established by the FCCSET group as reasonable and consistent with the October 1, 1977 deadline for a final report. Representation on the FCCSET for this activity should be expanded to include other appropriate Federal agencies or departments including, but not limited to, the Tennessee Valley Authority, the United States Section-International Boundary and Water Commission and the Federal Power Commission. The FCCSET effort will include preparation of proposed Federal dam safety guidelines for management procedures to ensure dam safety. FCCSET should report on all these items.

III. Independent Review Panel

In addition, the Director of the Office of Science and Technology Policy will arrange for review of agency regulations, procedures and practices, and of the proposed federal dam safety guidelines, by a panel of recognized experts to be established immediately. The panel will obtain the views and advice of established organizations, professional societies, and others concerned with the safety of dams. The purpose of this review is to advise the President as to the adequacy of procedures and regulations throughout the Federal Government to ensure the safety of dams which are in any way affected by a Federal role.

The review and a report thereon should be completed no later than October 1, 1978.

JIMMY CARTER

NOTE: The text of the memorandum was released on April 26.

Presidential Scholars

Announcement of the Selection of 121 Students as Presidential Scholars of 1977, With a Message From the President. April 26, 1977

The President has sent mailgrams to 121 graduating high school seniors from every part of the country, naming them Presidential Scholars of 1977.

The group includes a girl and a boy from each State, the District of Columbia, Puerto Rico, Americans living abroad, and 15 chosen at large.

The students were selected by the Commission for Presidential Scholars for exceptional achievement in intellectual excellence, coupled with leadership and other evidence of superior attainments.

The Scholars receive no monetary award, but will be brought to Washington June 6 to 9 for a program during which they will receive the 1977 Presidential Scholar Medallions. The visit will include special interest seminars led by authorities in various fields, appointments with Congressmen and Senators, a reception at the State Department, and other events.

The text of the President's mailgram follows:

"I am very pleased to inform you that today I am naming you a Presidential Scholar of 1977. Mrs. Carter and I join in expressing to you our congratulations and our pride in your outstanding academic achievements and those of the other 120 Presidential Scholars. You represent the finest of this country's education efforts and will receive the Presidential Scholar Medallion, the only national award for intellectual excellence, scholarship and leadership for graduating high school seniors."

1977 PRESIDENTIAL SCHOLARS

Alabama

SHARON D. MALONE, Mobile
ALICIA L. SMITH, Fairfield
RHETT J. THOMPSON, Birmingham

Alaska

RICHARD H. BEAN, Anchorage
LISA L. CORTHELL, Anchorage

Arizona

ELIZABETH L. AGUILAR, Phoenix
ALAN J. MILLER, Phoenix
JODI B. POOLE, Scottsdale

Arkansas

CHARLES A. FINNELL, Little Rock
KATHERINE A. STATON, Fort Smith

California

JONATHAN BAND, Beverly Hills
JESSICA J. KANDEL, Beverly Hills
JOYCE SHOW, Los Angeles

Colorado

FARYL M. REINGOLD, Denver
CHRISTOPHER G. WENGER, Yuma

Connecticut

DANA B. BIRKBY, Stamford
SUSAN J. LAUNI, Manchester

Delaware

LOUIS J. HOFFMAN, Wilmington
NORA E. LEWIS, Wilmington

District of Columbia

CHRISTINE A. DESAN, Washington
STEPHEN L. HAYES, Washington

Florida

LAURIE J. BUTLER, Largo
JAMES S. DINGLE, Pensacola

Georgia

PETER L. PATRICK, Athens
SUSAN K. PERKINS, Macon

Hawaii

MAILE J. APAU, Honolulu
MARK M. MUGHSHI, Honolulu

Idaho

PAUL G. CASSELL, Caldwell
MONICA C. SMITH, Mountain Home

Illinois

DIANE F. CABRERA, Downers Grove
JOACHIM J. LI, Chicago
KEVIN E. NORTHRUP, Urbana

Indiana

DENISE C. BAKER, Rosedale
DAVID R. JACOBI, South Bend

Iowa

DAVID B. BASKERVILLE, Des Moines
RHEA J. HARVEY, Muscatine

Kansas

DAVID W. BOYD, Wakeeney
MIRIAM G. EDELMAN, Manhattan

Kentucky

JAMES M. HISLE, Lexington
SHERRI L. SON, Jeffersontown

Louisiana

ERIC W. HAMILTON, Baton Rouge
DONNA J. RUSHING, Shreveport

Maine

LYNN M. SAWLIVICH, Waterville
COLETTE M. SIROIS, Waterville

Maryland

ELANA B. BLUM, Lutherville
STEVEN C. REBER, Rockville

Massachusetts

STEVEN KAREL, Newton
ROBIN J. NAKKULA, North Dartmouth

Michigan

SABRA M. FELDMAN, Ann Arbor
STEWART HENDERSON, Farmington Hills

Minnesota

KATHRYN R. BENGTSON, Breckenridge
THOMAS J. GAZZOLA, North Mankato

Mississippi

CARL C. AWH, Starkville
GWYN D. RUWE, Brandon

Missouri

ROBIN B. GOLDMAN, Ballwin
RANDOLPH L. KIRK, University City

Montana

TIMOTHY J. CLINCH, Helena
KAREN REEDER, Billings

Nebraska

KENNETH A. ALLEN, Omaha
KIM K. BALS, Loup City

Nevada

DEBRA L. BAYLES, East Ely
MILAN NJEGOMIR II, Las Vegas

New Hampshire

KIMBERLY J. CORRETTE, Meredith
GEORGE L. FISHER, Nashua
SARA H. FISCHER, Exeter

New Jersey

DIANE E. BENNETT, Stanhope
MITCHELL L. EDWARDS, Short Hills
VERNON P. NICKERSON, Paterson
LEONARD H. SHEN, Westfield

New Mexico

CHARLES K. PURCELL, Socorro
SARAH A. WIDER, Albuquerque

New York

NANCY J. COOPER, New York
LAWRENCE T. GRESSER, Douglaston
JAMES G. PROPP, Great Neck

North Carolina

GEORGE R. GREENE, Raleigh
GORDON E. ROBINSON, Jacksonville
KARI SHAW, Durham

North Dakota

MARLYNNE B. FISHER, Fargo
COLLEEN M. PUTNAM, Fort Yates
DAVID J. THEIGE, Minot

Ohio

LAURA L. DUGAN, North Canton
NANCY L. KENNEL, Middleburg Heights
DONALD A. SPECTOR, Mayfield Heights

Oklahoma

DOUGLAS D. MANN, Bethany
MARY KAY ZURAVLEFF, Oklahoma City

Oregon

WILLIAM V. HENNINGSGAAR, Astoria
ELIZABETH J. QUEATHAM, Tillamook

Pennsylvania

KAREN L. ALSTON, Broomall
VIKRAM K. CHANDHOK, Pittsburgh
IRENE FANG, Media

Puerto Rico

MARIA S. RIVERA, Miramar
GUALBERT RUANOARROYO, Mayaguez

Rhode Island

BETSY A. COTTER, Providence
WILLIAM C. THOMPSON, Cranston

South Carolina

KAREN S. BIERBRAUER, Spartanburg
AUGUST H. KRICKEL, Columbia

South Dakota

NORMAN C. KLUKSDAHL, Woonsocket
MARY M. WEGNER, Sioux Falls

Tennessee

LESLIE J. SONDER, Oak Ridge
CHARLES C. STEINHICE, Chattanooga

Texas

GREGORY A. MAGEL, Bellaire
JENNIFER K. ROBERTS, Euless

Utah

JAMES P. ALLEN, Ogden
PAMELA J. PEXTON, Salt Lake City

Vermont

BENNETT M. ROSE, Shelburne
PATTI A. SCRIZZI, Barre

Virginia

MONICA I. HALLE, Richmond
ROBERT A. HUTCHINSON, Charlottesville
LESSIE I. OLIVER, Crewe

Washington

STUART ANDERSON, Port Angeles
NANCY J. BROWN, Tacoma

West Virginia

LAURA J. ADKINS, Huntington
CHARLES V. GILMER, Institute

Wisconsin

JEFFREY C. WHITTLE, Milwaukee
MARINA E. WOLF, Wauwatosa

Wyoming

MONICA M. BERTAGNOLLI, Rock Springs
TOBY THREET, Moorcroft
RONALD C. TYLER, Cheyenne

Americans living abroad

LIZA A. BARTLETT, Dhahran, Saudi Arabia
CAROLYN M. BENNETT, West Germany
MATTHEW J. ENGELHART, London, England

United States Ambassador to Algeria

*Nomination of Ulric S. Haynes, Jr.
April 27, 1977*

The President today announced that he will nominate Ulric S. Haynes, Jr., of

Columbus, Ind., to be Ambassador Extraordinary and Plenipotentiary of the United States to the Democratic and Popular Republic of Algeria. Haynes is vice president for the Mideast and Africa of Cummins Engine Co.

He was born on June 8, 1931, in Brooklyn, N.Y. He received a B.A. from Amherst College in 1952 and an LL.B. from Yale Law School in 1956.

From 1956 to 1959, Haynes served as executive assistant to the commerce commissioner and assistant to the counsel of the New York State department of commerce. From 1959 to 1960, he was administrative officer in the United Nations European Office in Geneva and personal assistant to the Special Representative of the United Nations Secretary General in Guinea (West Africa).

From 1960 to 1962, Haynes was assistant to the representative for West Africa of the Ford Foundation in Lagos, Nigeria, and from 1962 to 1963 he was assistant to the Ford Foundation representative for North Africa in Tunis, Tunisia. In 1963 and 1964, he was assistant officer in charge of Moroccan Affairs at the State Department.

In 1964 and 1965, Haynes was officer in charge of High Commission Territories and South West Africa at the State Department. From 1965 to 1966, he served on the National Security Council staff at the White House, specializing in African affairs.

From 1966 to 1970, Haynes was president of Management Formation, Inc., in New York City, and from 1968 to 1972 he was a visiting lecturer at Harvard Business School. He served as vice president for management development at Cummins Engine Co., from 1972 until 1974, when he became vice president for Mideast and Africa.

Apr. 27

Administration of Jimmy Carter, 1977

Haynes is a member of the Council on Foreign Relations and the Democratic Advisory Council of Elected Officials, and a member of the board of the Social Sciences Foundation. He has had several articles published.

Zero-Base Budgeting in the Executive Branch

Memorandum for the Heads of Executive Departments and Agencies. April 27, 1977

Memorandum for the Heads of Executive Departments and Agencies

At my request, the Director of the Office of Management and Budget has issued guidelines about the use of zero-based budgeting in the Executive Branch.

This is a new system, and I recognize that your staff may need advice about how to interpret and apply it. Wherever possible, I want you to rely on OMB for information about this system, rather than turning to outside commercial consultants. I have asked the OMB to designate members of the program and budget staff as zero-based budgeting representatives. They will give you the information you need about establishing the process and using it effectively.

Within your own office, I ask that you name one or two members of the budget staff to serve a similar function as sources of information on the zero-based budgeting system. This approach will help ensure that zero-based budgeting is applied uniformly throughout the Executive Branch and that we save the wasted effort and unnecessary cost of relying on consultants.

JIMMY CARTER

Nuclear Non-Proliferation

Message to the Congress. April 27, 1977

To the Congress of the United States:

The need to halt nuclear proliferation is one of mankind's most pressing challenges. Members of my Administration are now engaged in international discussions to find ways of controlling the spread of nuclear explosive capability without depriving any nation of the means to satisfy its energy needs. The domestic nuclear policies which I have already put forward will place our nation in a leadership position, setting a positive example for other nuclear suppliers as well as demonstrating the strength of our concern here at home for the hazards of a plutonium economy. Today I am submitting to the Congress a bill which would establish for the United States a strong and effective non-proliferation policy.

This bill relies heavily upon work which the Congress has already done, and I commend the Congress for these valuable initiatives. I look forward to working with the Congress to establish a strong, responsible legislative framework from which we can continue strengthened efforts to halt the spread of nuclear weapons.

Among our shared goals are: an increase in the effectiveness of international safeguards and controls on peaceful nuclear activities to prevent further proliferation of nuclear explosive devices, the establishment of common international sanctions to prevent such proliferation, an effort to encourage nations which have not ratified the Non-Proliferation Treaty to do so at the earliest possible date, and adoption of programs to enhance the reliability of the United States as a supplier of nuclear fuel.

This bill differs from pending proposals, however, in several respects:

1. It defines the immediate nuclear export conditions which we can reasonably ask other nations to meet while we negotiate stricter arrangements. The proposals currently before Congress would impose criteria that could force an immediate moratorium on our nuclear exports, adversely affecting certain allies whose cooperation is needed if we are to achieve our ultimate objective of non-proliferation.

2. It defines additional nuclear export conditions which will be required in new agreements for civil nuclear cooperation. In particular, we will require as a continuing condition of U.S. supply that recipients have all their nuclear activities under IAEA safeguards. I view this as an interim measure and shall make it clear to all potential recipients and to other nuclear suppliers that our first preference and continuing objective, is universal adherence to the Non-Proliferation Treaty.

3. For the near future, it attempts to tighten the conditions for U.S. nuclear cooperation through renegotiation of existing agreements to meet the same standards as those we will require in new agreements. I believe that this approach will better meet our non-proliferation objectives than will the unilateral imposition of new export licensing conditions.

4. It increases the flexibility we need to deal with an extremely complex subject. For example, instead of requiring countries that want our nuclear exports to forswear fuel enrichment and reprocessing for all time, it allows us to draft new agreements using incentives to encourage countries not to acquire such facilities. It also permits me to grant exceptions when

doing so would further our basic aim of non-proliferation. All new cooperation agreements would, of course, be subject to Congressional review.

This bill is intended to reassure other nations that the United States will be a reliable supplier of nuclear fuel and equipment for those who genuinely share our desire for non-proliferation. It will insure that when all statutory standards have been met, export licenses will be issued—or, if the judgment of the Executive Branch and the independent Nuclear Regulatory Commission should differ, that a workable mechanism exists for resolving the dispute.

Since I intend personally to oversee Executive Branch actions affecting non-proliferation, I do not think a substantial reorganization of the responsibility for nuclear exports within the Executive Branch is necessary. This conclusion is shared by the Nuclear Regulatory Commission.

The need for prompt action is great. Until domestic legislation is enacted, other countries will be reluctant to renegotiate their agreements with us, because they will fear that new legislation might suddenly change the terms of cooperation. If the incentives we offer them to renegotiate with us are not attractive enough, the United States could lose important existing safeguards and controls. And if our policy is too weak, we could find ourselves powerless to restrain a deadly worldwide expansion of nuclear explosive capability. I believe the legislation now submitted to you strikes the necessary balance.

JIMMY CARTER

The White House,
April 27, 1977.

Nuclear Non-Proliferation

Fact Sheet on the Proposed Nuclear Non-Proliferation Policy Act of 1977.
April 27, 1977

The Nuclear Non-Proliferation Policy Act of 1977, the domestic nuclear policies announced by the President on April 7, and the additional policy decisions included in this fact sheet, are key components of the administration's nuclear non-proliferation policy. The President's policy decisions include:

- new conditions we will require for the granting of nuclear export licenses;

- additional new conditions we will require in new U.S. Agreements for Cooperation. These agreements are the formal, bilateral undertakings which form the basis for civil nuclear interactions with other nations;

- policies the executive branch will follow in making recommendations to the Nuclear Regulatory Commission on the export of sensitive items such as plutonium and highly enriched uranium (the weapons usable form of uranium, known as HEU);

- policies the executive branch will follow in deciding whether to approve a request by another nation to retransfer U.S.-supplied fuel to a third nation for reprocessing;

- policies to improve U.S. reliability as a nuclear fuel supplier by introducing greater clarity and predictability into the export licensing process.

Together, all these policies will place the United States in a leadership position among nuclear suppliers, and will establish a strong and effective non-proliferation policy. These policies have been developed, and must be evaluated, as a complete package. They are intended as a delicately balanced blend of:

- Denials* for those items, such as reprocessing plants, which we believe create

such a large risk that their export should be avoided whenever possible;

- Controls* over those items and technologies, required by ongoing programs, where improved safeguards and conditions for physical security will substantially reduce the risk. These controls will be backed up by stiff sanctions which would be imposed on violators;

- Incentives*—the United States fully recognizes that there is no such thing as an effective unilateral non-proliferation policy. We must gain the support of other nations—both suppliers and recipients—if we are to reach our common goal of limiting the spread of nuclear weapons. Hence the administration's program includes substantial elements of incentives, particularly in the areas of: uranium resource assessment; guaranteed access to non-sensitive, low enriched uranium (LEU) nuclear fuel; and spent fuel storage.

The following are key features of the Nuclear Non-Proliferation Policy Act of 1977, and related administration policies.

1. The bill establishes for the first time a statutory requirement forbidding the independent Nuclear Regulatory Commission (NRC) from granting a license to export nuclear materials or facilities until it has been notified by the executive branch of its judgment that the issuance of a license "will not be inimicable to the common defense and security." This judgment will be reached by the Departments of State, Defense, Commerce, the Arms Control and Disarmament Agency, and the Energy Research and Development Administration.

In arriving at these judgments, the executive branch will adhere to the following policies not detailed in the act:

- continue to embargo the export of enrichment and reprocessing plants;
- avoid new commitments to export significant amounts of separated plu-

tonium except for gram quantities for research and analytical uses;

- avoid new commitments to export significant quantities of highly enriched uranium (HEU) except when the project is of exceptional merit and the use of low enriched fuel or some other less weapons usable material is clearly shown to be technically infeasible;
- require direct Presidential approval for any supply of HEU greater than 15 kilograms (the approximate amount needed for a bomb);
- undertake efforts to identify projects and facilities which might be converted to the use of LEU instead of HEU;
- take steps to minimize inventories of weapons usable uranium abroad.

2. The bill defines the immediate nuclear export conditions which we can reasonably expect other nations to meet while we negotiate stricter agreements for cooperation. These conditions include:

- A requirement for International Atomic Energy Agency (IAEA) safeguards on all exported items and on any other plutonium or enriched uranium that might be used in the exported facility or produced through its use.
- A requirement that no U.S. export be used for research or production of any nuclear explosive device.
- A requirement that no U.S. export be retransferred by a recipient nation to any other nation without the prior approval of the United States.
- A requirement that no fuel exported from the United States be reprocessed without the prior approval of the United States.

These criteria differ from proposals currently before Congress which include criteria that could force an immediate moratorium on U.S. nuclear exports. Such

a moratorium would seriously damage U.S. relations with certain allies whose cooperation is essential if we are to achieve our non-proliferation objectives.

3. The bill defines additional nuclear export conditions which will be required in new agreements for cooperation. These include:

- A requirement, in the case of non-nuclear weapons states, that IAEA safeguards cover all nuclear materials and equipment regardless of whether these have been supplied by the United States. Fulfillment of this requirement will be a condition of continuing U.S. nuclear supply.

The President has also directed that this requirement be viewed only as an interim measure, and that the United States' first preference, and continuing objective, is universal adherence to the Non-Proliferation Treaty.

—The stipulation that United States cooperation under the agreement shall cease if the recipient detonates a nuclear device or materially violates IAEA safeguards or any guarantee it has given under the agreement.

—A requirement for IAEA safeguards on all U.S.-supplied material and equipment for indefinite duration, whether or not the Agreement for Cooperation remains in force.

—The U.S. right of approval on retransfers extended to all special nuclear material produced through the use of U.S. equipment.

—The U.S. right of approval on reprocessing extended to all special nuclear material produced through use of U.S. equipment.

4. For the near future, the bill proposes to tighten the conditions for U.S. nuclear cooperation through the renegotiation of existing agreements to meet the same standards as those we will require for new agreements (as specified in 3 above).

This approach will better meet U.S. non-proliferation objectives than would an attempt to impose unilaterally new export licensing conditions.

5. The bill provides the flexibility needed to deal with the many different situations and nations involved. For example, it makes the necessary exceptions for licenses under existing multilateral agreements. It also establishes an efficient mechanism for the President and Congress to review cases where the executive branch and the independent NRC differ on the granting of a proposed export license. And it permits the President to grant exceptions from the stiff new conditions required for new agreements for cooperation, if he considers that this is in our overall non-proliferation interest.

6. The bill creates sanctions against the violation of nuclear agreements by providing that no nuclear export shall be granted to any non-nuclear weapons state that, after enactment of this legislation:

- detonates a nuclear explosive device;
- terminates or abrogates IAEA safeguards;
- is found by the President to have materially violated an IAEA agreement or any other guarantee it has given under an agreement for cooperation with the United States;

unless the President determines that such a cutoff would hinder the achievement of U.S. non-proliferation objectives, or would jeopardize the common defense and security.

7. The legislation proposes the establishment of an international Nuclear Fuel Cycle Evaluation Program, aimed at furthering the development of alternative, nuclear fuel cycles which do not provide access to weapons usable material, as announced by the President in his April 7 statement.

8. As an essential element of the international evaluation program, the legislation proposes a number of policies to assure that adequate nuclear fuel supply will be available to all nations as a non-proliferation incentive. These include:

- A policy to assure adequate U.S. uranium enrichment capacity;
- A policy assuring that nuclear exports will be licensed on a timely basis once statutory requirements are met;
- U.S. initiatives to promote international consultations to develop multilateral means for meeting worldwide nuclear fuel needs.

The bill further requires the President to report to the Congress on the progress of these discussions and to propose any legislation he may consider necessary to promote these objectives.

9. The bill commits the United States to work with other nations to strengthen the International Atomic Energy Agency (IAEA) through: contribution of technical resources, support and funding; improving the IAEA safeguards system; and, by assuring that IAEA receives the data needed for it to administer an effective, comprehensive international safeguards program.

United States Information Agency

Nomination of Charles W. Bray III To Be Deputy Director. April 27, 1977

The President today announced that he will nominate Charles W. Bray III, of Bethesda, Md., to be Deputy Director of the United States Information Agency. Bray is Deputy Assistant Secretary of State for Inter-American Affairs.

He was born on October 24, 1933, in New York, N.Y. He received a B.A. from

Princeton University in 1955 and took graduate studies at the Université de Bordeaux on a Fulbright scholarship. He served in the U.S. Army in Germany from 1956 to 1958.

Bray joined the Foreign Service in 1958 and served overseas in Cebu and Bangui. He received the AID Meritorious Honor Award in 1965 for his work on economic assistance in the Central African Republic.

After returning to Washington in 1965, he served in several positions in the State Department and took graduate studies in economics and systems analysis at the University of Maryland. He served as special assistant to the Deputy Under Secretary for Political Affairs in 1967 and 1968, and then as Deputy Director of the Office of West African Affairs and Director of Public Affairs in the Bureau of African Affairs.

He served as Director of the State Department Office of Press Relations in 1971 and then became a Department spokesman and special assistant to the Secretary of State.

In 1974 Bray became Deputy Assistant Secretary for Public Affairs, and in 1976 he became Deputy Assistant Secretary for Inter-American Affairs.

United States Arms Control and Disarmament Agency

*Nomination of Spurgeon M. Keeny, Jr.,
To Be Deputy Director. April 27, 1977*

The President today announced that he will nominate Spurgeon M. Keeny, Jr., of Washington, D.C., to be Deputy Director of the U.S. Arms Control and Disarmament Agency. Keeny is currently director of policy and program development for the MITRE Corp., in McLean, Va.

He was born on October 24, 1924, in New York, N.Y. He received a B.A. in 1944 and an M.A. in 1946 in physics from Columbia University and attended the School of International Affairs at Russian Institute at Columbia in 1946-47.

Keeny served from 1948 to 1950 as a first lieutenant with the Directorate of Intelligence, Headquarters USAF. From 1950 to 1955, he was first an analyst and then Chief of the Special Weapons Section of the USAF, Directorate of Intelligence.

In 1955 Keeny became a staff member of the Panel on Peaceful Uses of Atomic Energy of the Joint Congressional Committee on Atomic Energy, serving until 1956. He was Chief of the Atomic Energy Division, Office of the Assistant Secretary of Defense for Research and Engineering, from 1956 to 1957 and a member of the Security Resources (Gaither) Panel in the Executive Office of the President in 1957.

From 1958 to 1969, Keeny served as technical assistant to the President's Science Advisor. Starting in 1963, he was also a senior staff member of the National Security Council until 1969. In this dual capacity, he worked in the areas of military technology, atomic energy, technical intelligence, and arms control.

In 1969 Keeny was appointed Assistant Director for Science and Technology of the Arms Control and Disarmament Agency, serving until 1973. In this capacity, he was responsible for ACDA activities in support of SALT and for the technical aspects of other arms control areas.

Since 1973 Keeny has been director of policy and program development for the MITRE Corp. During this time, he was also chairman of the Nuclear Energy Policy Study Group, which recently released its report, "Nuclear Power Issues and Choices." He was also vice chairman

of the Committee on Environmental Decision Making of the National Academy of Sciences.

United States Sinai Support Mission

Message to the Congress Transmitting a Report. April 27, 1977

To the Congress of the United States:

I am pleased to transmit herewith the Third Report of the United States Sinai Support Mission. This report describes the manner in which the Mission is continuing to carry out its peacekeeping responsibilities by operating an early warning system in the Sinai, as called for in the basic agreement between Egypt and Israel signed on September 4, 1975. This report is provided to the Congress in conformity with Section 4 of Public Law 94-110 of October 13, 1975.

The report emphasizes the successful completion on February 22, 1977, of one full year of operations. With the completion of initial construction activity, the Sinai Field Mission has had an opportunity to analyze in detail various elements of the Mission's activity. In particular, attention has been directed to improving operating procedures, to upgrading equipment and to reducing personnel through the introduction of advanced technology.

The parties to the agreement continue to affirm their satisfaction with the role of the United States in the Sinai and the fair way in which the Sinai Support Mission has discharged its responsibilities for the early warning system.

As our initiatives to help the parties to the Arab-Israeli dispute move toward a resumption of negotiations, it is important that the United States continue to fulfill its commitments. As long as the Sinai Sup-

port Mission is able to make a positive contribution to these efforts, I will urge that the Congress continue its support for this important mission.

JIMMY CARTER

The White House,
April 27, 1977.

NOTE: The report is entitled "Report to the Congress, SSM, United States Sinai Support Mission, April 13, 1977" (21 pp. plus appendixes).

Democratic National Committee

Remarks at a Luncheon for Members of the Committee's National Finance Council. April 28, 1977

It would be hard for any of you to know how deep an emotional experience it is for me to walk through this crowd and to shake hands with those among you who were my friends a year or 2 years or more ago, when many people did not know who I was and had little confidence in me. But you did.

We formed a personal friendship that is dear to me. I learned a lot from you about our great country, and I am very deeply grateful to all of you for coming here today to join me and Ken Curtis in reminding ourselves of what our country is, what it can be, what the Democratic Party is, and what it can be.

Ours is a nation of people who believe in individuality, freedom, responsibility, hard work, idealism, and we also are courageous enough and strong enough to analyze our own faults and our own mistakes. And we are capable enough to make plans for the future where those faults or mistakes could be corrected.

I've been blessed with the highest elected office in the world with your help. But I recognized very clearly that the day after election that I am no better qualified,

no more intelligent, no more experienced than I was the day before election.

The advantage that I have, though, as President, in addition to our great form of government, is the relationship that I can maintain with you and others like you around this country who believe as I do in the past, present, and future greatness of the United States.

We have come through some trying times, as you know, in the last few years when the very fabric of our political structure of society was tested and it was found to be strong and whole. And it provides us with a basis on which we can predicate the realization of future dreams and where we can heal our disharmonies and our lack of communication and lack of understanding, where we can reestablish the people of our country and our own deep commitments as kind of a beacon light for the rest of the world, based on basic human rights and on the free enterprise system and on the right of individuals to make our own decisions and to control our own government.

I've been in office now a little over 3 months. I've enjoyed being President. I've had a few surprises. The diversity of questions that come to me has been surprising. The good reception of the congressional leaders has been a pleasant surprise. But I would say the most gratifying has been the overwhelming support that I have had from the American people, expressed in an outpouring of letters and telegrams and telephone calls, but also in the public opinion polls, which show that although they recognize that we haven't accomplished our goals yet, that we have a mutual commitment to do our best.

The responsible party in this country, the Democratic Party, has shown again our willingness to tackle difficult challenges which have been ignored or covered up or circumvented for the last 8

years. It's time for you and me and the Congress to evolve and to implement a comprehensive energy policy that's fair, that's far-reaching, and that's adequate.

It's important for us to bring order out of chaos in the bureaucratic jungle in Washington, which in the past has made it very difficult for well-meaning people to adequately serve our own constituents in an effective and an efficient way. And the Congress has moved on this to give me the authority for reorganizing the structure of Government.

We have a means now to put into effect a new budgeting system which I have described many times in the last 2 years, called zero-based budgeting, that will let us go deep within the Government as the 1979 fiscal year budget is prepared to eliminate unnecessary programs and to reexamine those things that are now accepted as impervious to criticism and scrutiny and analysis, and to bring them to the surface and look them over again and see which ones need to be continued, which ones enhanced, which one reduced or abolished.

On Monday, I'll spell out to the American people my own concepts of what the American welfare system ought to be. I think when you listen to this relatively brief statement you will be pleased and you will see that for the first time in many years we are addressing one of the most difficult and challenging responsibilities of government—to hold families together, to encourage people to go to work who are able to work, to give adequate support and help to those who are necessarily dependent, and to restore a sense of pride both to the public servants, to private citizens who pay taxes on a regular basis, and those who are dependent to some degree.

I have been surprised at the difficulty of it. But shortly thereafter, we will begin to consult with Governors in all 50 States

and with the leaders of Congress to come up not too long afterwards with a comprehensive legislative package. So, welfare reform is something that's important to us.

The income tax structure must be revised and made fair and simple. We need to reduce the intrusion of government into our lives when it's not necessary and to eliminate the longstanding requirements on regulations, guidelines, bureaucratic decisions, unnecessary reports that prevent an efficient functioning of our economic system.

If there's one thing I am determined to do in addition, it's to restore a well-deserved reputation within the Democratic Party for fiscal responsibility. For too long we've been stigmatized with a reputation of inadequate planning, irresponsible spending, uncontrolled growth because of a lack of commitment and an absence of communication and consultation between employees and employers, between producers and consumers, and between the private sector and government.

These matters must be addressed, and it's a very difficult undertaking. And that's why it's absolutely crucial to me to have you leaders in the business and professional world of our country to be constant partners with me. We have a lot to learn, both in the executive branch of Government and within the Congress. And I think the new resurgence of support and trust in the Democratic Party gives you now a chance to let your own voice be heard in a much more clear and effective way.

We are trying to deal also with some of the very crucial problems in foreign affairs, working with the Soviet Union as best we can to bring about a limit and then a drastic reduction in the future in dependence on atomic weapons. We are trying to prevent the spread of explosive

capability in nuclear power to countries where it doesn't presently exist.

We believe that atomic power is an integral part of our energy picture in the future to produce electricity. But we are trying to make sure that this does not degenerate into the capability for explosives among nations that need the power but don't need atomic bombs. These kinds of things are important to us all.

There are many trouble spots around the world—in the Far Pacific, in the Middle East, in southern Africa. And we are trying to address those in a very effective and, I hope, well-constructed way.

I've been criticized to some degree by being too open in explaining to the public the options that we have, the goals that we've set for ourselves so that the American people might be part of the debate. I feel much more sure of myself as I make a decision concerning SALT negotiations or non-proliferation or international trade, with Bob Strauss' help, or a possible settlement in the Middle East—and I am determined to do the best we can to bring that about this year—or dealing with the war-threatened region of southern Africa, if the American people know what we are trying to do.

And I believe that many political figures and I believe that many news media figures underestimate the competence and intelligence and the sound judgment of the American people. And when we've failed in the past number of years and made serious mistakes in foreign policy, as I have said many times during my own campaign, it's been because the American people have been excluded from the process and you lose that basis of sound judgment that's very important to a relatively isolated political figure in the White House or in the Congress or in the State Department. And I want the American people to be part of the process from now

on so that when I do speak the American people are part of it.

Last week I had four foreign leaders to come and see me, and we have an average of one head of state coming more frequently than every 2 weeks the whole year because of two things: One, they are very eager to get to know me and to see what the leadership of our great country can do in bilateral relationships now and in the future; and secondly, I learn from them.

And early next month I will be going to London to meet with the European leaders and the Prime Ministers of Japan and of Canada, and then to Geneva to meet with President Asad of Syria to complete my study and my basis for negotiations on economic matters and political matters with those world leaders.

I know that I have a lot to learn. I'm an eager student. Many of you have international experience and travel and business relationships that can be very important to me. And I hope that you will never be reticent in giving me your advice and your counsel and your criticisms when you consider it to be warranted.

The last point I want to make is this: There's no way for me to separate in my own life my involvement with my family, my involvement with my church, my involvement with government, my involvement with the Democratic Party and the people of our country. We have to depend on you.

The new campaign finance laws, which I strongly favor, made it possible, first of all, for me to be elected President. Secondly, they have made it possible for me to be elected President without having unwarranted obligations to people because of financial contributions. They give me a unique freedom to make my decisions as President based upon my

current analysis of what's best for you and me and for this country. And that's a very precious thing that I would never want to see abridged. The separation of the political financial arrangement and governmental finances is also a very important heritage which I cherish.

The Republican Party has always had plenty of money. The Democratic Party has always been broke. But I think we have at the same time learned to make the most out of every dollar we have. And I think that's proven by the remarkable success we have had in congressional elections, gubernatorial elections, Presidential elections in the last few years. I know that every one of you is expected to raise \$5,000 a year for the next 4 years. That's not a difficult task if your heart is in it. And the fact that you have come here today to join in with me and others in this commitment is a great tribute to you, to your patriotism, your belief in our country, and your loyalty to the Democratic Party.

The diversity of our country and the diversity of our party is not a sign of weakness. It's a sign of strength. And I think we can each preserve the deep commitments that we have philosophically and otherwise and, at the same time, feel that we are equal partners in shaping the future of our country.

You've never demanded anything from me that was at all embarrassing, and I thank you for it. You've given me your support. The only feeling I have is one of gratitude to you. I've got a lot to learn.

As a new President I have seen again in a much more vivid fashion the potential greatness of our country, even exceeding the greatness of the past. But that doesn't rest in the White House. It doesn't rest on Capitol Hill. It rests among the tens of millions of American people who are your neighbors. And you are there in

a constant way, seeing at first hand how circumstances change among people that I am trying to represent. And you represent, every one of yourselves, a tremendous, demonstrable leadership capability. If you hadn't had that ability, you wouldn't have the responsibilities that are yours today. And I recognize that tremendous reservoir of sound advice and experience and sensitivity to the aspirations and concerns of the American people.

The Democratic Party is a means by which you and I can stay close to one another. It's also a means through which you can stay close to the congressional leaders and Governors and others. And I hope you'll take full advantage of it, because there's no way to get around the fact that we share every decision made in government and every decision made in business, industry, agriculture, and the other professions.

The depth of this partnership is what is significant to me, and I hope that you will always be free with your aid for the Democratic Party itself, prepare ourselves for presentation to the American people in a frank and open way the issues that must be debated before each election, that you will join with me next year in having a successful election campaign. And I am always eager to learn from you and to derive benefit from your support and advice.

There's no way that I can repay all of you. I have just made my selection for Ambassador to Luxembourg. [*Laughter*] I have to admit that for the first time in a long time it was a professional diplomat. That's not the case with all the appointments.

Many of you can help me and have already been called upon to help me with specific assignments. If you have a special interest in finance or taxation or health

care or mental health problems or agriculture, I hope that you will talk directly to my people in the White House or to Ken Curtis and his people, because we have a need for those kinds of services from you.

And the characteristic that exemplifies the lives of everyone in this room is that you are always eager to give much more than you ever expect to receive in return. That's typical of Americans. It's typical of the Democratic Party.

And I hope that in my own service, as President in the next few years, that I might live up to your expectations, and I hope that those expectations will always be very high.

Thank you very much. God bless every one of you.

NOTE: The President spoke at 12:58 p.m. in the Presidential Ballroom at the Capital Hilton Hotel. In his remarks, he referred to Kenneth M. Curtis, chairman of the committee, and Robert S. Strauss, Special Representative for Trade Negotiations.

Energy Expo '82

Announcement of Federal Recognition for the International Exposition. April 28, 1977

The President today announced that he has granted Federal recognition to "Energy Expo '82," an international exposition on energy to be held in Knoxville, Tenn., from May to November 1982. The President directed the Secretary of State to notify the Bureau of International Expositions for formal registration.

Pursuant to Public Law 91-269, the Department of Commerce evaluated the plans for the exposition and submitted a report recommending that Federal recognition be granted.

Among the reasons for the Commerce Department's favorable recommendation are the timeliness and importance of the theme of energy. The Knoxville area was judged appropriate because of its energy contributions in the past and the proximity of the Oak Ridge National Laboratories, the Tennessee Valley Authority, and other energy projects.

Budget Deferrals

Message to the Congress. April 28, 1977

To the Congress of the United States:

In accordance with the Impoundment Control Act of 1974, I herewith report one new deferral of budget authority amounting to \$6.0 million for the anti-recession financial assistance fund of the Department of the Treasury. In addition, I am reporting a revision in the basis for and a reduction in the amount of a previously transmitted Department of Commerce deferral.

The details of each deferral are contained in the attached reports.

JIMMY CARTER

The White House,
April 28, 1977.

NOTE: The attachments detailing the deferrals are printed in the *FEDERAL REGISTER* of May 4, 1977.

The message was not issued in the form of a White House press release.

Agency for International Development

Nomination of Frederick T. Van Dyk To Be an Assistant Administrator. April 29, 1977

The President today announced that he will nominate Frederick T. Van Dyk, of

Potomac, Md., to be an Assistant Administrator of the Agency for International Development. His area of responsibility will be the Bureau for Interagency Development Coordination. Van Dyk is president of Van Dyk Associates, a Washington public and governmental affairs consulting service.

He was born on October 6, 1934, in Bellingham, Wash. He graduated from the University of Washington in 1955 and received an M.S. in 1956 from the Columbia University Graduate School of Journalism. He subsequently worked as a reporter and editor for the Seattle Times and United Press, and in private business in Boston and New York.

After military service (Army Intelligence) in Washington, D.C., he served from 1962 to 1964 as a public affairs and information representative there on behalf of the European Communities (Common Market, Euratom, Coal and Steel Community).

From 1964 to 1968, Van Dyk was assistant to Senator and Vice President Hubert Humphrey, serving as his chief speechwriter, his National Security Council and Cabinet staff assistant, and as director of Cabinet task forces on travel and textile policy chaired by Vice President Humphrey.

In 1968-69 Van Dyk served as vice president for public affairs at Columbia University. In late 1969 he returned to Washington to found Van Dyk Associates.

Van Dyk served as a member of the Democratic Policy Council from 1969 to 1972, as a principal author of the 1968, 1972, and 1976 Democratic platforms, and as an adviser to the Carter-Mondale campaign and transition. He chaired the domestic affairs session of the National Democratic Issues Conference in 1975 and is vice chairman of the National Democratic Forum.

U.S. Delegation to the Strategic Arms Limitation Talks

Nomination of Ralph Earle II for the Rank of Ambassador While Serving as Alternate Chairman of the Delegation. April 29, 1977

The President today announced that he will nominate Ralph Earle II for the rank of Ambassador while serving as Alternate Chairman of the United States delegation to the Strategic Arms Limitation Talks. Earle has been representative of the U.S. Arms Control and Disarmament Agency to SALT since 1973.

He was born on September 26, 1928, in Bryn Mawr, Pa. He received an A.B. from Harvard College in 1950 and an LL.B. in 1955 from Harvard Law School. He served in the U.S. Army from 1950 to 1952.

Earle practiced law with the firm of Morgan, Lewis and Bockius, in Philadelphia, from 1956 to 1968, as an associate and then a partner. In 1968 and 1969, he served as Principal Deputy Assistant Secretary of Defense (and Acting Assistant Secretary of Defense) for International Security Affairs.

From 1969 to 1972, Earle was defense adviser to the U.S. Mission to NATO. In 1972 and 1973, he was a consultant for SALT in the Office of the Secretary of Defense.

Federal Railroad Administration

Nomination of John M. Sullivan To Be Administrator. April 29, 1977

The President today announced that he will nominate John M. Sullivan, of Jenkintown, Pa., to be Administrator of the Federal Railroad Administration. Sullivan is the owner of Haug Die Casting Co., in

Kenilworth, N.J., and founder of John M. Sullivan Co., in Jenkintown, Pa.

He was born in Brooklyn, N.Y., on December 18, 1924. He graduated from the U.S. Naval Academy in 1946 (class of 1947)

From 1946 to 1949, Sullivan served as a radar officer on the U.S.S. *Providence*. In 1949 he took flight training in Pensacola, Fla., and in 1950 he became a naval aviator. He served on the U.S.S. *Midway*, specializing in tactics of close air support.

After leaving the Navy in 1954, Sullivan was a sales engineer for the Dolan Corp., and a manufacturer's agent. In 1961 he founded the John M. Sullivan Co., which markets industrial components.

Sullivan was coordinator of the Carter Presidential campaign for the Pennsylvania primary in 1976. He and his wife, Mary Maxine, were Carter delegates at the Democratic National Convention.

National Energy Legislation

Remarks on Signing Letters of Transmittal to the Speaker of the House and the President of the Senate. April 29, 1977

Hi, everybody. I have a very wonderful experience today that I have been looking forward to. One is a reunion with what was formerly the fourth grade at the Beverly Hills School in Concord, North Carolina. Congressman Hefner, I am very glad that you came here with them.

These young people are some that I met during my campaign for President. And I underestimated them when I told them at the time that I would like for them to come and visit me in the White House if I got elected. I didn't think they were going to be so dedicated and so strong and so innovative as to raise enough

money to come all the way to Washington to see me. But I am glad that you have done so.

These young people and their parents raised more than \$9,000 to come and see me and to visit the White House. And I am very glad that you came.

I thought rather than just treating you like children, that I would treat you like responsible American citizens. And although I want to shake hands with all of you before I leave, I thought it would be nice for you to be here on a very historic and important occasion in our Nation's history.

On my right over here are very fine people who work in Government with Dr. James Schlesinger, and for the last 3 months, they are the ones that have put together the new national energy policy that will change the life of our Nation for the better in the future.

Congressman Hefner, I am going to take this occasion to transmit to the House and Senate of the United States Congress the energy legislation that has been developed by these people on my right.

Dr. Schlesinger says this is the first time they have seen the light of day in a number of weeks, and they are squinting in the sun. They have been working day and night on this legislation. As a matter of fact, the proposal consists of about 275 pages. It's one of the most complicated messages or legislative packages that a President has ever sent to the Congress, and it's designed to be fair. It will encourage the American people not to waste energy in the future; it will prepare us to face the years ahead without fear of being damaged if supplies of oil from overseas are interrupted.

I believe it will make the world know that we are sincere about eliminating waste. I think it will also remove the op-

portunities or causes of arguments and disharmony between the oil companies and consumers, between Government and private industry, and between or among the different parts of our own country and, certainly, between our country and those nations overseas who share with us this very serious problem.

So, at this time, Jim, I would like to sign a letter to the speaker of the House of Representatives pointing out the importance of the energy legislation asking the Congress to give this matter its top priority treatment, and with the expression of my complete dedication to work with the Congress closely in this very important effort—which may be the most important thing we do for our own Nation's domestic affairs in 1977.

So, this is a letter to Tip O'Neill that I am signing at this point. In addition, I am signing the same letter to the Vice President, who presides over the U.S. Senate. So, this will be a message going to the House and Senate.

Now, I want all the students from Beverly Hills School to help me get this legislation passed. How many of you will ask your Congressman to vote for the legislation that I have just signed? If you will help me by asking the Congressmen to help me, would you raise your hands? Come on, I need more help than that. Very good. I think you have gotten your instructions right from folks back home, with no interference from me. Very good. Very good. Thank you.

I am very deeply grateful and will never forget the tremendous effort that you all have put forward above and beyond the call of duty to make this momentous step forward. And Dr. Schlesinger, to you and all your able assistants you have my eternal gratitude.

I might say that at the time he was making you work long hours, he did not

overlook the opportunity to make the President work long hours. [Laughter] So, we are all in it together.

Thank you very much.

NOTE: The President spoke at 12:40 p.m. in the Rose Garden at the White House.

we can together solve the energy problems facing our country.

Sincerely,

JIMMY CARTER

NOTE: This is the text of identical letters addressed to the Honorable Thomas P. O'Neill, Jr., Speaker of the House of Representatives, and the Honorable Walter F. Mondale, President of the Senate.

National Energy Legislation

Letter to the Speaker of the House and the President of the Senate. April 29, 1977

Dear Mr. Speaker: (Dear Mr. President:)

On April 18, 1977, I addressed the American people to impress upon them the gravity of our national energy situation. On April 20, 1977, before a Joint Session of the Congress, I outlined a series of recommendations for dealing with our energy problem.

Today, I am transmitting to the Congress the proposed National Energy Act, which includes the legislative measures needed to implement the National Energy Plan. I am also releasing a comprehensive National Energy Plan which describes in detail the nature of our current and future energy problems, the hard facts which our national energy policy must address, and my proposals for dealing with these realities.

I recognize that the measures proposed will impose burdens on all Americans, and that many of these measures will be highly controversial. There is no doubt in my mind that during the next several months these proposals will receive intense scrutiny and attention from the Congress. I want to assure you that I and members of my Administration will work closely with the Congress toward the prompt enactment of the National Energy Act so that

National Energy Plan

Message of the President. April 29, 1977

In each period of our history, the nation has responded to challenges which have demanded the best in all of us.

This is one of those times.

Our energy crisis is an invisible crisis, which grows steadily worse—even when it is not in the news. It has taken decades to develop, as our demand for energy has grown much faster than our supply. It will take decades to solve. But we still have time to find answers in a planned, orderly way—if we define the changes we must make and if we begin now.

This report explains why we have to act, and gives you the details of our Plan. The Plan is complicated. I am sure that many people will find some feature of it they will dislike along with features they can support. But it is a carefully balanced Plan, which depends for its effectiveness on all of its major parts.

Above all it is fair. Our guiding principle, as we develop the Plan, was that none of our people should be asked to bear an unfair burden, and none should reap an unfair advantage. There will be sacrifices, but they will be gradual, reasonable—and fair.

The changes the Plan recommends will mean a new direction in American life.

In some cases heading in that direction may seem inconvenient. But I have faith that meeting this challenge will make our lives more satisfying.

We can rediscover the ingenuity and the efficiency which have made our nation prosper, rather than deepening our dependence on insecure imports and increasingly expensive conventional energy supplies. We can rediscover small-scale, more creative ways of satisfying our needs. If we are successful, we can protect jobs, the environment, and the basic American standard of living, not only for ourselves but also for our children and grandchildren.

I know that, if we work together as a united people, we will succeed.

JIMMY CARTER

NOTE: The message is printed in the report entitled "The National Energy Plan, Executive Office of the President, Energy Policy and Planning" (Government Printing Office, 103 pp.).

Better Hearing and Speech Month, May 1977

Message of the President. April 29, 1977

This traditional observance provides a fine opportunity for all Americans to reflect on the needs of our twenty-two million fellow citizens affected by hearing and speech disorders.

All of us can be encouraged by the steady increase in the numbers of men, women and children who are overcoming such handicaps. We can also find comfort in the continuing efforts of all the organizations and individuals responsible for guiding and developing programs to assist those with hearing, speech or language impediments. By promoting community activities relating to improved

health, rehabilitation and social care, you are performing a vital public service.

I urge more Americans to volunteer their time and energy to this worthwhile cause.

JIMMY CARTER

NOTE: The text of the message was made available by the White House Press Office. It was not issued in the form of a White House press release.

Digest of Other White House Announcements

The following listing includes the President's daily schedule and other items of general interest as announced by the White House Press Office during the period covered by this issue. Events and announcements printed elsewhere in the issue are not included.

April 23

The President met at the White House with:

- Zbigniew Brzezinski, Assistant to the President for National Security Affairs;
- Vice President Walter F. Mondale, Secretary of State Cyrus Vance, Secretary of Defense Harold Brown, Paul C. Warnke, Director of the U.S. Arms Control and Disarmament Agency, and Dr. Brzezinski.

April 25

The President met at the White House with:

- Dr. Brzezinski;
- the Cabinet;
- Vice President Mondale.

Administration of Jimmy Carter, 1977

April 26

The President met at the White House with:

- Dr. Brzezinski;
- King Hussein I of Jordan;
- Allen Seckinger, a personal friend of the President;
- Representative Tom Bevill of Alabama;
- Gov. David Boren of Oklahoma;
- Mayor Tom Bradley of Los Angeles;
- Joseph A. Califano, Jr., Secretary of Health, Education, and Welfare, W. Michael Blumenthal, Secretary of the Treasury, F. Ray Marshall, Secretary of Labor, Charles Schultze, Chairman of the Council of Economic Advisers, and Bert Lance, Director of the Office of Management and Budget, to discuss welfare reform proposals.

The President has designated Douglas M. Costle, Administrator of the Environmental Protection Agency, and Alan A. Butchman, Deputy Secretary of Transportation, to be U.S. Representative and Alternate Representative, respectively, to the NATO Committee on the Challenges of Modern Society.

April 27

The President met at the White House with:

- Dr. Brzezinski;
- Senators John H. Glenn, Jr., and Howard M. Metzenbaum and Representatives Thomas L. Ashley and William H. Harsha, of Ohio, and Senators Wendell H. Ford and Walter Huddleston, of Kentucky, to discuss the uranium enrichment facility near Portsmouth, Ohio;
- Adm. Stansfield Turner, Director of Central Intelligence, and Dr. Brzezinski;
- Secretary Blumenthal, Mr. Lance, Dr. Schultze, and Arthur F. Burns,

Chairman of the Board of Governors of the Federal Reserve System;

- John Ryor, president, and Terry Herndon, executive director of the National Education Association;
- the National Security Council.

The President today transmitted to the Congress the 12th annual report of the Department of Housing and Urban Development, describing its activities for the calendar year 1976.

April 28

The President met at the White House with:

- Dr. Brzezinski;
- senior White House staff members;
- Members of Congress from Alabama, the District of Columbia, Florida, Georgia, Guam, Hawaii, Louisiana, Mississippi, North Carolina, Puerto Rico, South Carolina, Tennessee, and the Virgin Islands;
- Philip H. Alston, Jr., U.S. Ambassador-designate to Australia, and Mrs. Alston;
- representatives of the National Bankers Association;
- Assistant to the President James R. Schlesinger;
- Dr. Schultze.

The President greeted Mr. and Mrs. Travis O. Britt, Sr., of Riverdale, Md., and their two sons. During the Presidential campaign in 1976, Mr. Britt had walked from Riverdale to Plains, Ga., to shake hands with Mr. Carter. The Brittts were accompanied by Representative Gladys Noon Spellman of Maryland.

The President today transmitted to the Congress the 1976 annual report of the National Credit Union Administration.

April 29

The President met at the White House with:

- Dr. Brzezinski;

- Secretary of Transportation Brock Adams;
- Mr. Lance;
- Adolfo Suarez Gonzalez, President of the Government of Spain;
- His Eminence Iakovos Archbishop of the Greek Orthodox Church of North and South America;
- Admiral Turner and Dr. Brzezinski.

The President today transmitted to the Congress the fourth annual report of the Secretary of Commerce on the administration of the Coastal Zone Management Act of 1972.

NOMINATIONS SUBMITTED TO THE SENATE

The following list does not include promotions of members of the Uniformed Services, nominations to the Service Academies, or nominations of Foreign Service officers.

Submitted April 25, 1977

PERCY ANTHONY PIERRE, of the District of Columbia, to be an Assistant Secretary of the Army, vice Edward Alan Miller.

WILLIAM ANTONIO MEDINA, of Maryland, to be an Assistant Secretary of Housing and Urban Development, vice Thomas G. Cody, resigned.

ADRIAN PAUL WINKEL, of Maryland, to be High Commissioner of the Trust Territory of the Pacific Islands, vice Edward E. Johnson, resigned.

MABEL MURPHY SMYTHE, of Connecticut, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the United Republic of Cameroon.

LOWELL BRUCE LAINGEN, of Minnesota, a Foreign Service officer of Class one, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Malta, to which office he was appointed during the last recess of the Senate.

DONALD R. NORLAND, of Iowa, a Foreign Service officer of Class one, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Botswana, to which office he was appointed during the last recess of the Senate.

DONALD R. NORLAND, of Iowa, a Foreign Service officer of Class one, to be Ambassador Extraordinary and Plenipotentiary of the

NOMINATIONS—Continued

United States of America to the Kingdom of Lesotho, to which office he was appointed during the last recess of the Senate.

DONALD R. NORLAND, of Iowa, a Foreign Service officer of Class one, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Kingdom of Swaziland, to which office he was appointed during the last recess of the Senate.

MALCOLM TOON, of Maryland, a Foreign Service officer of the Class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Union of Soviet Social Republics, to which office he was appointed during the last recess of the Senate.

Withdrawn April 25, 1977

ALEX P. MERCURE, of New Mexico, to be a member of the Board of Directors of the Commodity Credit Corporation, vice Kenneth E. Frick, resigned, which was sent to the Senate on March 30, 1977.

Submitted April 27, 1977

CHARLES WILLIAM BRAY III, of Maryland, to be Deputy Director of the United States Information Agency, vice Eugene Paul Kopp, resigned.

SPURGEON M. KEENY, JR., of the District of Columbia, to be Deputy Director of the United States Arms Control and Disarmament Agency, vice John F. Lehman, Jr., resigned.

ULRIC ST. CLAIR HAYNES, JR., of Indiana, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Democratic and Popular Republic of Algeria.

JOHN PATRICK WHITE, of California, to be an Assistant Secretary of Defense, vice David P. Taylor, resigned.

Withdrawn April 27, 1977

JOHN PATRICK WHITE, of the District of Columbia, to be an Assistant Secretary of Defense, vice David P. Taylor, resigned, which was sent to the Senate on April 21, 1977.

Submitted April 28, 1977

ANTHONY G. DIRIENZO, JR., of Connecticut, to be United States Marshall for the District of Connecticut for the term of 4 years, vice Ermen J. Pallanck, resigning.

JAMES W. BYRD, of Wyoming, to be United States Marshal for the District of Wyoming for the term of 4 years, vice George O. Houser, resigning.

Administration of Jimmy Carter, 1977

NOMINATIONS—Continued

Submitted April 28—Continued

JAMES W. GARVIN, JR., of Delaware, to be United States Attorney for the District of Delaware for the term of 4 years, vice W. Laird Stabler, Jr., resigned.

DAVID V. VROOMAN, of South Dakota, to be United States Attorney for the District of South Dakota for the term of 4 years, vice William F. Clayton, resigning.

Submitted April 29, 1977

PATRICIA M. DERIAN, of Mississippi, to be Coordinator for Human Rights and Humanitarian Affairs, vice James M. Wilson, Jr., resigned.

RALPH EARLE II, of Pennsylvania, for the rank of Ambassador while serving as Alternate Chairman of the United States Delegation to the Strategic Arms Limitation Talks.

FREDERICK T. VAN DYK, of Maryland, to be an Assistant Administrator of the Agency for International Development, vice Christian A. Herter, Jr., resigned.

JOHN McGRATH SULLIVAN, of Pennsylvania, to be Administrator of the Federal Railroad Administration, vice Asaph H. Hall, resigned.

**CHECKLIST OF WHITE HOUSE
PRESS RELEASES**

The following releases of the Office of the White House Press Secretary, distributed during the period covered by this issue, have not been included in the issue.

CHECKLIST—Continued

Released April 25, 1977

News conference: on the President's message to the Congress on health care legislation—by Secretary of Health, Education, and Welfare Joseph A. Califano, Jr.

Released April 28, 1977

Biographical data: James W. Garvin, Jr., the President's nominee to be U.S. Attorney for the District of Delaware; David V. Vrooman, the President's nominee to be U.S. Attorney for the District of South Dakota; James W. Byrd, the President's nominee to be U.S. Marshal for the District of Wyoming; and Anthony G. Dirienzo, Jr., the President's nominee to be U.S. Marshal for the District of Connecticut

List: salaries paid to the 49 appointed members of the White House staff who earn \$40,000 a year or more

Released April 29, 1977

News conference: on the President's national energy legislation proposals—by James R. Schlesinger, Assistant to the President

**ACTS APPROVED BY
THE PRESIDENT**

NOTE: No acts approved by the President were received by the Office of the Federal Register during the period covered by this issue.

PRESIDENTIAL DOCUMENTS

Week Ending Friday, May 6, 1977

Committee on Selection of the Director of the Federal Bureau of Investigation

Executive Order 11982. April 29, 1977

By virtue of the authority vested in me by the Constitution and statutes of the United States of America, and as President of the United States of America, in order to extend for 30 days the reporting time for the Committee on Selection of the Director of the Federal Bureau of Investigation, Section 3(a) of Executive Order No. 11971 of February 11, 1977, is hereby amended to read as follows:

"The Committee shall submit to the President and to the Attorney General, no later than June 11, 1977, a report listing the names of the five persons whom the Committee considers best qualified to serve as the Director and setting forth such other information as the President or the Attorney General may require."

JIMMY CARTER

The White House,
April 29, 1977.

[Filed with the Office of the Federal Register,
11:15 a.m., May 4, 1977]

NOTE: The Executive order was not issued in the form of a White House press release.

Radio-Television News Directors Association

*Interview With Members of the Board of
Directors of the Association.
April 29, 1977*

THE PRESIDENT. Have you had a good day so far?

Well, I'm very glad to have a chance to welcome you to the White House. I know you've already been here earlier, and I hope when your visit is completed you'll be at least acquainted with some of the things we go through during a typical day's work.

ADMINISTRATION POLICIES

This morning I have spent a great deal of time preparing for Monday. I'm going to outline the basic principles of a welfare proposal that will then be discussed in detail with the Governors and welfare administrators around the Nation, with the congressional Members and their staffs, and with others who are interested. And then we expect to have a complete package of specific legislative proposals ready for the Congress later on.

I also spent a great deal of time this morning and last night preparing for an almost unprecedented meeting Monday with my entire Cabinet, with Chairman Burns from the Federal Reserve Board,

and with key congressional leaders, looking at the Nation's revenues and anticipated expenditures over the next 4-year period, leading up, under normal economic circumstances which we anticipate, to a balanced budget by 1981. But I want me and my Cabinet and the congressional leaders to see from the same perspective the prospective developments, economically speaking, in the rest of my own term.

I had a meeting with my key transportation advisers, including Secretary Brock Adams and Special Negotiator Alan Boyd, and then called the Prime Minister of Great Britain, Jim Callaghan, for about a 20-minute conversation about treaty negotiations of international air routes. This is a matter of some importance to our countries.

On the 22d of June, last year, the British notified us that the treaties would be terminated. There is a 1-year advance notice requirement. And we hope that we can get these negotiations completed before that date, so that we won't interrupt routine travel between our two countries. I and my very good friend Jim Callaghan are eager to see this done, but there are some very difficult questions to be resolved.

Later I met with the new President of Spain. He and the King of Spain have worked very courageously, in my opinion, to bring democratic government to that nation after long years under Franco. And I was extremely pleased with him, and I think we had an instant friendship evolve. He just left a few minutes ago.

And then following his departure, I met with a group of students from Concord, North Carolina, whom I had invited to come to the White House during the campaign, if—I think I told them, when I was elected President. After I left North Carolina, having complete confidence in my ability as a campaigner, they raised \$9,000 with soup suppers and garage

sales to come up here. And they just finally made it, with their Congressman.

And then following that, during that same period, I signed transmittal letters to the Speaker of the House and to the Senate majority leader, or rather to the Vice President, sending a 275-page legislation on the energy plan to the Congress for their action.

And then I spent 5 minutes eating lunch and then came to be with you. *[Laughter]* But this is a typical half-day in the life of a President, and I've had nothing but pleasure from it so far.

I've had a lot to learn. I recognize even clearer now than I did 3 or 4 months ago that I don't know all the answers.

I've put together, I think, a superb Cabinet. There is not a single member of my Cabinet that I would change if I had it all to do over again. They've grown in their jobs, and I've tried to keep my commitment that they would indeed run their departments without interference from either me or the White House—White House staff—and we've never departed from that commitment at all.

I have also, I believe, a very competent and sensitive White House staff. They give me adequate support and advice. They have broad-ranging knowledge and experience that they're harnessed in a very productive fashion, and they have no inclination to want to run the affairs of Government, which is quite a departure from what it has been in the past in some instances in the White House, where the Cabinet Secretaries had practically no authority and where directives were issued from the White House staff to them on how to run their affairs.

The other thing that I have that is, I think, unprecedented, is a superb relationship with the Vice President. I've been blessed with Fritz Mondale and a natural compatibility between us. And I've put on him tremendous responsibilities and, I

think, a unique independence to make available to the Nation his superb qualities. He and I have never had a cross word. We spend several hours together every day.

He has the secret briefings in their entirety that I get. He has a permanent invitation to attend every conference in which I participate. And I believe that there is a growing recognition in the Congress and among special interest groups in our country and among foreign leaders that we do have a Vice President now who can speak for me. And I've benefited greatly from this relationship.

I think the other thing I've tried to do—and then I'll answer questions—is to have a maximum amount of accessibility to the core of Government, among people, through the news media. I've been criticized on some occasions for being too frank in discussing sensitive and controversial issues publicly. I have no qualms about what I've done and I intend to maintain this position.

As we approach difficult decisions involving nonproliferation or SALT negotiations or our relationships with Vietnam or the People's Republic of China or Cuba, or when we have a difficult question to resolve about a complicated international question like the Middle East, my own belief is that it's best for the American people to know what the options are, what my thinking is. And quite often, the things that I have said publicly have been long understood among those who negotiate or plan in secret.

And I feel much surer that I will make the right decision about these difficult questions if there has been an open and public debate about them among the American people. The sound judgment and intelligence and competence and common sense of the American people is a reservoir that I consider to be very precious to me. And if there is additional

controversy on occasion because these matters have been brought to the forefront of the American consciousness, I think those slight problems are vastly corrected by the sense of strength that I have that the American people know what's going on.

I think the last thing is that when I do speak on a matter or when the Secretary of State speaks on a matter there is a general feeling now, that's accurate, that the American people and the Congress are familiar with what we are saying. And I think this has a much greater impact on international councils than if we spoke after a private, closet agreement just between me and the Secretary of State.

So, I think that some changes have taken place of which I'm very proud. We still have a long way to go. We are addressing some difficult questions that have been pushed under the rug too long, trying to evolve a comprehensive energy policy that's fair and adequate and acceptable. I think we've done that.

We are also now constrained by law to reorganize the executive branch of Government. This will be a long-term commitment of mine. We have 3 years' authority, and it may be extended if we see it necessary.

We will this year have proposed to the American people and to the Congress a comprehensive revision of the welfare system—which is long overdue—of the income tax structure, of the social security system, and other matters of equal importance. And I think it's time to address these matters.

It would be possible, maybe politically advisable, for me just to ignore them for a while and hope that they wouldn't reach a crisis stage until my successor is in office. But I think that it's better to go ahead and do the best we can with these problems, even though it does create a lot of

extra work for us and sometimes is costly in a political sense.

I think the best thing for me to do now would be to answer your questions. I've tried to outline as briefly as I could some of the things that are important to me, and I'll just kind of go around the table and get the ones in the back.

QUESTIONS

RELATIONS WITH CONGRESS

Q. How would you characterize your relationship with Congress 100 days into your term, in view of the budget decision of yesterday and the energy proposals they're now going over?

THE PRESIDENT. I'm pleased with it. There have been some problems, because when you change past procedures it creates controversy. I think it's better for me, though, to express myself clearly on matters like the water projects, which I think are a complete waste of money, than it is to stay silent and have additional projects approved that have no economic or environmental justification for them. It would again be obvious to anyone—it was to me—that this would not be a popular thing among congressional leaders or Members whose districts are affected.

I've got an excellent relationship with the Speaker, with the majority leader in the House, obviously, with the Vice President, majority leader in the Senate, and all those who work with them. I can't be a quiescent or a timid leader. I wasn't when I was Governor. I wasn't when I was a candidate. I don't intend to be when I am President.

I think that it's completely legitimate, for instance, once we put forward a proposal on the defense budget matter, to maintain our commitment to that proposal unless some circumstance changes

that causes us to have an alteration in our own opinion.

We asked for a \$120 billion spending level on defense, which was about \$2.8 billion reduction. I think this is necessary, and I also think it's adequate.

The House and Senate Appropriations Committees and Senate Budget Committee, all three, agreed with our figure almost exactly. The House Budget Committee cut that figure, I think by \$4.1 billion. And I didn't try to go behind the back of anyone. I discussed this openly and freely. And when Congressman Burleson, without my knowledge, offered an amendment that would just restore what we had advocated, then I think Secretary Brown properly espoused that amendment and the House overwhelmingly adopted it.

It's a very difficult thing to pass a budget resolution. I understand that. A lot of negotiation and balancing has to be done within the House. But I think that these matters are inevitable. It's also inevitable that quite often the administration is going to get blamed for some failure that takes place in the Congress. And at times, the difference of opinion is a cause of the confusion. But I think it's better for me to maintain my position, even though it might create some disharmony within the Congress, if I think I'm right.

GASOLINE TAX

Q. Mr. President, if the gas tax feature of your policy, energy policy, fails in the Congress, how important is the gas tax feature to your overall energy policy, and do you have an alternative to the gas tax proposal that would accomplish the same end if it should fail?

THE PRESIDENT. No, I don't have any alternative. I think it is very important and hope it won't fail. I think that we've got to have some way to encourage a re-

duction in the consumption of gasoline. It comprises about half of our total oil consumption, and it's the greatest opportunity for us to save energy and to reduce waste.

The gas tax is very modest, and it's also not inevitable. If the American public will cooperate and will reduce waste of gasoline, only cutting back total consumption by 10 percent between now and 1985 with much more efficient automobiles, then there is no reason for the gas tax ever to be imposed.

If it is imposed, it would be 5 cents per gallon at the time. If subsequent reductions in consumption meet the prescribed goals, then that tax would be removed and all the money collected from the gas tax would be refunded to the families in our Nation. For instance, this would amount to about \$6 billion, which figures out to about \$25 per person in our Nation.

So, if the 5-cent gas tax were imposed because of inadequate conservation cooperation, that would mean that each family of four would get back \$100 in direct rebates or tax credits, which means that a family that didn't use gasoline, or that used it in a parsimonious way, would actually benefit. Those who insisted on large expenditures for gasoline would have to pay a slight increase in price.

I might point out in fairness, though, that the wellhead tax would also add about 7 cents a gallon to the price of gasoline. I think that this is a modest amount, compared to the severity of the consequences of not conserving.

So, it is important. I hope it will pass. I don't have any alternative. We considered, obviously, dozens of alternatives, and this optional or standby gas tax that would be implemented only if moderate goals were not met, I think, is the best approach.

We tried to fix the levels of conservation so that there would be at least a 50-percent chance of the tax not being imposed. And

if the American people will join in, in a patriotic way, in trying to save, then the gas tax will never be imposed.

Q. Mr. President, in places like Arizona where you have to travel a long way just to get to work, how is that going to work? I mean, you can't conserve; you've got to get to work. There aren't systems, mass transit systems, like we see in the East. It doesn't seem equitable.

THE PRESIDENT. Well, for, say, a family that has an efficient automobile, say that meets the 1982 standards, if they drive 10,000 miles a year to and from work, then I think the cost there would be about \$20. But they would get back, a family of four, about \$100 in tax credits. So if someone does have to go to work and if they do use an efficient automobile, it would not cost them.

This, I think, is fair. And there is a choice to be made. If they have an automobile that would continue at the present average efficiency, which is about 14 miles per gallon, it would cost them a slight amount. So I don't think it would work any hardship even on a family that had to use their car extensively for travel.

I think a 10,000-mile annual use of an automobile would well take care of any requirement for going to and from work.

FEDERAL WATER-SHARING PLAN

Q. Mr. President, in light of the drought that we're facing in the West, could you address yourself to the possibility of a Federal water-sharing plan of some kind and, also, to the possibility of increased research and development in the desalination projects in the West?

THE PRESIDENT. Well, as you know, we've put forward, as a result of the extensive drought, a legislative proposal that's likely to be passed that consists, I think, of about \$850 million—about \$200 million to \$250 million of which is grants.

Many of these grants will be spent to improve water supplies with local well-drilling efforts and also with plastic lining of irrigation channels in order to try to do two things: to increase the production of water from underground strata and, also, to encourage conservation. I don't believe that—with a few exceptions like in the northern part of California—there has been much attention given to water conservation in the country yet. And I would guess that inevitably, no matter what the Government does, that there is going to be a heavier and heavier emphasis placed on water conservation efforts on a nationwide basis.

Even in my own part of the country, like Atlanta, we now see that in a few years water supplies are going to be short. But nobody has made any effort yet to emphasize a conservation need.

We have, obviously, no control over the weather. The few communities each year, relatively speaking, that have extraordinary weather conditions are eligible for aid from several of the programs that already exist in the Federal Government under housing programs, under the Department of HUD, under the emergency programs, low-interest loans under Agriculture, and so forth. But I don't see anything being done of any major consequence in the future, other than those items that I've described to you.

Obviously, we have about 300 water projects that have been approved by the Corps of Engineers and the reclamation agency within the Department of Interior. All those are going forward. The number that I've recommended terminating is about 18 or 19, and the number that I recommended be reduced was about 9, I think. So, there is still a vast effort being made in the country for water projects of that kind.

We have, I would say to summarize, a need for a nationwide conservation pro-

gram where the States and local governments and the Federal Government, along with private users, can cooperate on how to save the waste of water. This is a chronic problem that's going to be, maybe, the next major thing after energy.

Q. Mr. President, your predecessor was very concerned about the burdens that Government places on business and industry, and you sent out a memo to Bert Lance to unburden. In other words, you want to have some deregulation, apparently. What progress are you making in those lines? What are your plans?

THE PRESIDENT. I think good progress. Some of the departments have already reported cutting back on reports required by as much as 20 percent. We are now requiring that every department give us a list of all the reports that can be eliminated. We'll put these changes into effect by the end of this fiscal year.

On regulations, I am requiring, for the first time, that people who write regulations sign them. We are having schools all over the Federal Government now to teach people how to write simple regulations that can be understood.

I asked the Cabinet Secretaries—and they complied—to read all the regulations that came out of their departments for several weeks, just so they would see the complexity of the regulations that came forward and also, in some instances, to see that the regulations were, on occasion, incompatible with the policies that the Secretary thought existed.

We have an opportunity to reduce the number of Federal agencies, many of which promulgate excessive numbers of guidelines and regulations.

We have 50 agencies, for instance, that will be brought together in the new Department of Energy when that legislation is passed. And I have now generic authority to reorganize the Government in other ways.

We've eliminated already more than 200 advisory commissions and boards, and that work has only just begun.

I've asked many leading groups like college presidents, State school superintendents, the National Association of Manufacturers, and others, to give me a list of regulations and reports they get from the Federal Government that they think are ill-advised or unnecessary. And they come in to Bert Lance. Bert assesses them and, in some instances, we eliminate them or combine them among departments. So, I think we're making good progress.

Q. We're broadcasters, of course, sir, as you know, so when the FCC one comes by, would you take a good look at it?
[Laughter]

THE PRESIDENT. As a matter of fact, I would always welcome—for instance, the National Association of Broadcasters. If you all would take the forms that you are required to fill out, put yourself in my position and let your staff of the national association look up the law, and if you can devise, with a few days' work, a simplified form that meets the requirements of the Government, we would welcome that. And it will come directly to Bert Lance. He'll bring it to me and I'll say, "Well, why don't we put this into effect?" But I have to ask you not to try to mislead us.

You know, I think it has to be adequate to fulfill the law and the legitimate needs of the Government, because we do need a lot of information. But we welcome that effort on your part. And the college presidents organization and the State school superintendents are already working on this project.

PUBLIC REACTION TO ENERGY PROPOSALS

Q. Mr. President, first of all, before I ask my question, as president of this orga-

nization, Radio-Television News Directors Association, we thank you for this day. We've had a very profitable morning and are looking forward to more. So, thank you very much.

How do you feel about the way the American public has reacted to this point about your energy proposals?

THE PRESIDENT. There have been three or four public opinion polls conducted that I've seen, and I believe that there has been a dramatic shift or increase in the number of Americans who think there is a serious problem. Before I went public with our analysis and proposals, there was substantially less than 50 percent. Now some polls show as high as 70 to 80 percent of the American people agreeing that energy conservation is important and that we have a serious crisis ahead if we don't do something about it.

As far as the number who approved my proposals are concerned, I think that's also been encouraging. We don't have a majority who advocate a gasoline tax, but we have a majority who advocate most of the parts of the program. And sometimes you have to do something that is not popular, like advocate a tax increase, even though the people don't approve.

My own personal popularity is probably going to drop. At first it didn't. I think the New York Times-CBS poll that I heard about this morning showed that it had not decreased. I think the Harris poll and the Hart poll. Gallup poll, showed it had not. I think NBC did a poll that showed it had dropped some. But that's to be anticipated. I don't particularly regret that.

The automobile manufacturers, the oil companies, and other legitimate interest groups have expressed varying degrees of concern about the proposals. I think they've been very moderate and very modest. And most of them have said we

think this is a good overall proposal, but we think something could be done differently.

The oil companies say that there is not an adequate incentive for production. I think it's completely adequate and very generous. We have offered the oil companies the equivalent of world energy prices for newly discovered oil. I think this is enough. And when they demand more, perhaps that's a bargaining position.

I haven't gone yet to meet personally with the oil executives to ask them if they would espouse the program in its entirety as a patriotic gesture. I think it would be very good for them and the country if they would.

I think our own analysis of the impact on the automobile manufacturing business shows that it won't be a bad blow to them.

Our own projections on computer models, which are quite often not completely accurate, show that by 1985, the number of cars will increase somewhat; that the economic impact of the program will not be adverse, and the inflation rate will go up about a half percent because of the energy change.

So, in general, I'm pleased with it. The test is in the Congress. And I'll just have to keep the details of the proposal before the public, because if I don't, the highly focused opposition from the special interest groups can cause a distortion here in Washington about the opinion of the people in the country. And I'll have to monitor this, and I and the congressional leadership will just have to let the people know the benefits to be derived from taking an action that a special interest group may oppose.

I think, though, we've had good response so far, much better than I had anticipated.

WATER RESOURCE PROJECTS

Q. Mr. President—

THE PRESIDENT. I promised I would get to you.

Q. Yes. If we could get back to water for just a second?

THE PRESIDENT. Please.

Q. From the intermountain part of the West, Utah, where I am from, the Central Utah Project, what was to have been a very vital project in water development or water diversion—it's a semi-arid State, which you may or may not be aware of—what alternatives in such an area where ground water is rapidly dropping because of the drought—the only other water that seems to be available is that that's on the eastern slope to be brought over to the western slope. What can happen if energy is to be developed in that part of the State, and so on?

THE PRESIDENT. Well, I have to say that all of the recommendations that were made concerning reclamation projects—and that's a reclamation project—were worked out by the Secretary of Interior and his people. And the Central Utah Project was one that was cut back along with the Central Arizona Project and the Garrison Diversion Project in North Dakota.

I believe that the decisions that we made are the proper ones. We did not eliminate, as you know, all portions of the Central Utah Project. There were some left intact that we think are adequate. I'm sure local people think not.

It comes down to two questions: one is the limit of growth in inherently arid regions, and the second thing is the degree of strict conservation that would be imposed voluntarily over a period of years, as water supplies dwindle compared to the population demands.

We have found in northern California, in Marin County, for instance, that they've cut back water consumption 65 percent this year. I doubt that it's worked any hardship on the people who live there, but that's just an indication of what can be done as water supplies appear to be inadequate. It may be that consumption is excessive.

I don't know enough about the details of the Utah question to answer any better than that.

FOREIGN IMPORTS

Q. Mr. President, the House informal committee on textiles has in the past few days passed a resolution asking that not only should the multifiber agreement be renewed when it runs out at the end of December, but that in negotiating in Geneva later this summer, that some thought be given to reducing the amount of imports that will be required because the textile import situation is getting so bad.

What would be yours and Mr. Strauss' reaction to that request to make the import quotas even stiffer, especially in view of your reluctance to do very much on the shoe situation and leave that on an open market?

THE PRESIDENT. I hate to comment on that in detail. The present multifiber agreement, as you know, authorizes in most instances, a 6-percent annual increase in exports from other supplying countries to us. It also has a provision in it that concerns me somewhat, and that is, if they don't export that much in 1 year, they can make up the following year their 6 percent plus what they carry over from the previous year.

Some of the shoe manufacturers want to cut down the 6 percent to 3 percent, or equate it with the growth in shoe consumption in our country—I mean, textile

consumption in our country. I don't know yet what our position will be.

Chairman Strauss, now Ambassador Strauss, has been over in Europe to talk in a preliminary fashion to some of the people there. Last fall when I was campaigning, the request of the textile industry was that we simply renew the multifiber agreement in its present form. Now their position has changed to demand a reduction.

Obviously, this is a multinational agreement and we do have a strong voice in the negotiations, but we don't have any veto power over it. My general inclination, though, is to not erect trade barriers. I think in many instances, we've been successful on a bilateral basis in getting voluntary agreements on constraint. We've done this in the case of textiles on occasion. We are now trying to do this in the case of Taiwan and South Korea on shoe exports, and we're doing the same thing at this time on color television sets from Japan.

So, I think, in general, I've outlined the problem. I don't know exactly what level we will assume as a negotiating position on the increase per year that can be permitted. I have some ideas, but I'm reluctant to make a public statement on them any further than I have.

ECONOMIC SUMMIT CONFERENCE

Q. Mr. President, can you give us your views on the upcoming summit in Europe?

THE PRESIDENT. And what was your question?

Q. It had to do with jobs.

THE PRESIDENT. Okay. Well, I'm for more jobs and I hope to be successful at the summit. [*Laughter*]

I'm spending a lot of time preparing for this summit. This will be my first trip

outside the country since I've been President, perhaps my only trip outside the country this year. Many of the leaders I've had a chance to know in the past in my travels as Governor, and we've had visitors here quite often.

Prime Minister—or President Suarez from Spain, I think was the fifth head of state who's been here in the last 10 days. And we have an average of about one prime minister or president or king coming every 2 weeks the rest of this year. In each instance, before they come I do a lot of study about their nation—its background, economic, social, political structure, history with us, bilateral problems, multinational agreements.

Some of the things that we'll discuss at the summit are our relationships with one another; the strengthening of NATO at an immediately following meeting; questions concerning human rights; preparation for the Belgrade conference to assess the efficacy of the Helsinki agreement; nonproliferation questions concerning reprocessing of spent nuclear fuels, the plutonium society.

We also will discuss among us our dealings with the less-developed countries of the world, how much to strengthen the International Monetary Fund, how much to depend on other multilateral lending institutions like the World Bank or regional banks, how much to cooperate in trade matters.

We'll discuss quite frankly with our friends and allies from Japan, Canada, and Europe, the possible approaches to a SALT agreement.

We'll discuss the mutual and balanced force reduction talks in Vienna that have been stalemated now for about 3 years. I think we'll form personal friendships and interrelationships that will stand us in good stead in a time of trouble or crisis.

In fact, when I called Prime Minister Callaghan this morning—we have a per-

sonal and easy relationship because we've had a chance to be together for a number of hours when he visited us.

I don't know President Giscard from France. I do know Chancellor Schmidt. And I think I'll come away from there with a new sense of what their special problems are and opportunities in the nations involved.

We'll talk at length about energy, and we'll talk about the entire fuel cycle. We hope to get a multilateral cooperation begun in the very expensive research and development projects concerning energy.

For instance, we are just about ready to go ahead with a very large, solar energy power production plant in Spain. This has been worked out before I was in office. But as we approach a very difficult question of solar power use, fusion power, of breeder reactors, it's important for us to do it with a common commitment to share the expense, to share the information and experience derived, and to make sure that we also share a protection against the increased capability to make explosives from nuclear fuels.

These are the kinds of things that we'll discuss, and the agenda is quite full. I think everyone involved is making an extra effort to prepare thoroughly.

There was a general feeling that at the last summit conference on economics, that the preparation was not adequate. And I've already exchanged three or four letters, for instance, with Chancellor Schmidt and the same with President Giscard from France.

I wrote and sent to Chancellor Schmidt early this morning a four- or five-page response to his recent communication with me.

We've had numerous meetings already with our official representatives to prepare for the summit, and we have, in addition to what I've just described, scheduled bilateral meetings between myself and al-

most every leader in Europe—sometimes only 15 minutes, sometimes for an hour or an hour and a half.

And following the summit, which is a seven-nation meeting, we'll have a special meeting, a very private meeting of the nations responsible for Berlin. And then I will go to Geneva to meet with President Asad from Syria. I'm trying to meet with all the Middle Eastern leaders before the end of May. And I'll come back to London for the NATO Conference and then back home.

So, I think we'll derive a great deal of benefit from it. I think we'll come away from there with a new knowledge of the differences that divide us and the options to be presented to our people and the Congress. I think we'll find a lot of common ground that we haven't yet recognized. But tensions tend to build up among nations when there is not an easy way to communicate between the heads of state.

And I was quite concerned, as I said earlier, about the potential breakdown in negotiating new air rights. The British feel that we have too many planes flying between our country and London with too many empty seats, that this is wasteful of energy and wasteful of airplanes, that it creates excessive competition and excessive costs for the few passengers who do fly on a half-empty plane. We agree with that.

The British are also, though, quite insistent that we cut down on the number of additional points that we serve beyond London. We feel a much more deep dedication to the free enterprise system and to competition than most of our allies, even as close a friend as Britain. And just the fact that Jim Callaghan and I can sit down and talk about these things and see what we can yield on—we cannot afford to let another country tell us what the capacity of our airplanes ought to be—but

I can tell Jim Callaghan that I'll personally be responsible to him that we cut down on the waste of empty seats, but that we cannot yield on that point and that we can't give up our right to travel beyond London to Frankfurt, to Copenhagen, and to other points around the world. So just the fact that we can have a personal relationship will benefit us greatly.

Let me say in closing that I really appreciate a chance to meet with you. I wish I had more time to talk about things in detail. All of these matters that get to the President's desk, as you can well see, are things that can't be solved at a State level or between employers and employees or within the Congress. And I've welcomed a chance to get deeply involved. I've enjoyed it.

Our family has gotten well established in the White House. Amy is enjoying her school nearby. Rosalynn has gotten deeply involved in problems concerning the elderly and in her mental health work. We've had a tremendous increase here in the burden on our staffs because of our openness. I get from 65- to 85,000 letters a week, and this is about three or four times more than President Ford got. Rosalynn gets 3- or 4,000 a week. Amy gets 2,000 letters a week.

We appreciate this access to the public, but it has caused us some problem in staffing. And we hope that our availability and accessibility to you will be the kind of thing that we can maintain as long as I am here.

Rosalynn had—we were really worried about Rosalynn for 2 or 3 days. She had a lump in her breast and we obviously didn't know the character of it, but yesterday afternoon she had an operation and it turned out to be benign. And we are very grateful about that.

I might say—I haven't told anybody else, but President Ford called last night.

It seems he heard about it. And I thought it was an extraordinarily gracious and kind thing for him to do.

Q. What did he say?

THE PRESIDENT. He just called to say that he had heard about Rosalynn's operation and that he and Betty were praying for us and that he was deeply concerned about our health, that he knew what Betty had had to go through in a similar operation, and he was just grateful that the tumor turned out to be benign.

But I thought it was very kind of him to take the time to call. And I really did appreciate it. And we reconfirmed our agreement that whenever he comes to Washington, he'll come by and see me personally to give me advice and counsel and let me tell him about the latest developments on international affairs.

We keep both him and President Nixon informed with regular briefings from the State Department and the CIA on secret, unpublicized interrelationships between us and other governments. And I think this is a very beneficial thing to me to continue this. But we have a good friendship between me and President Ford.

Q. Have you had any feedback from Mr. Nixon?

THE PRESIDENT. Well, President Nixon has written me several letters, and we've exchanged telephone calls. His attitude toward me has been perfect. He has said that he didn't want to intrude, but that he was always available, that he'd like to be kept informed, and whenever we had a question about some personal relationship that he had had with a foreign leader in the Soviet Union or China or the Middle East, that he'd like to make his information available to us, and that he would always like to have the right to call me if he was concerned about any action of our Government, but he would always do it privately and in a constructive way, that

he'd never be critical of what I did in public.

So, we've had a good relationship with both of them. As I said in the press conference the other day, it's a very small fraternity of people who've been here, but I think that both of my predecessors recognize that this is kind of a lonely job in a way, but it's also one where you need all the help you can get.

I never had a chance to meet a Democratic President—[laughter]—but even the Republican Presidents have been very constructive.

Thank you. I've enjoyed it.

NOTE: The interview began at 1:02 p.m. in the Cabinet Room at the White House. The transcript of the interview was released on April 30.

White House Correspondents Association

Remarks at the Association's Annual Dinner. April 30, 1977

I'm very grateful at the invitation that was extended to me to be here tonight. The invitation did say "Live Television." [Laughter]

But in any case, I'm glad I came because my heart was moved a few moments ago to see the transfer of command. I know that Paul Healy has done a good job, and Larry O'Rourke will be a fine, new president. Sometimes it's hard to understand who is president and who's not. [Laughter]

I know what it means to have a former president to give you sound advice and quiet encouragement and firm support. As a matter of fact, the recent stories about my relationship with President Ford have been taken completely out of context. I think the Vice President was quite presumptuous in making com-

ments about ex-Presidents. I have a complete determination when I go out of office to say what I damn well please—[laughter]—about my successor. I knew that if I gave Fritz an inch, he'd try to take a mile. [Laughter]

I've been to seven or eight news conferences, and I never knew there was so many White House correspondents before. [Laughter] You have my own White House staff outnumbered 10 to 1—using the campaign figures for the White House staff, of course. [Laughter] The way it's turned out, on a temporary basis, this is just about one for one.

We do have a lot in common, though. I understand that everybody on the White House staff and among the White House correspondents has had about a tripling in their salary since I came in office. I know you all appreciate the new arrangement that I've brought to the White House.

I appreciated, too, the remarks that were made about the new policy that we've tried to implement throughout the Government in bringing women and blacks into the Government. We've got a long way to go. I've derived a lot of inspiration from looking at the head table. [Laughter] If my black friends from Archer could just see this assemblage up here, they would be sure that their struggles over a long period of time were well worthwhile.

It is difficult to separate in a White House environment, fact from fiction, which reminds me of my good friend, Jim Wooten, here—[laughter]—the Erica Jong of the New York Times. [Laughter] As a matter of fact, the fiction and fact relationship is not what hurt me so much; it was the use of the phrase "cruel recuse." I have asked Jody Powell to find out who first used that phrase. He's interrogated all the White House correspondents and 23 White House staff members.

If I find out who said it, I'll let you know. And if I'm not there, my new Press Secretary will let you know. [Laughter]

It's always good to have an experienced person at your side who can extricate you from one of those difficult situations.

I have thought that I knew my key supporters very well, who have been with me 8 or 10 years, but I've learned a lot about them since we've been in the White House.

I read a story not too long ago about Hamilton Jordan's—[laughter]—about Hamilton Jordan's—[laughter]—underwear. Of course, I don't have any way to know about the veracity of the story. I really didn't until the other afternoon someone hit a very hard tennis ball over the net and it missed Hamilton's racket and I found out that the story was true. [Laughter]

We all have to accommodate changing times. I've tried to bring to the White House the campaign commitments that I made, and carry them out. Obviously, when circumstances do change, you have to change with them.

I noticed that Paul mentioned the \$50 rebate. This was a firm commitment of mine, as you know. And my economists, though, discovered that so many people spent the \$50 before they got it, that we didn't have to give it to them. [Laughter] I can't understand why everybody else can't understand something like that.

Hamilton is in charge of appointments, as you know. And the other day a story got out that we were considering three people for Ambassador to Nantucket. We want to be ready when the new nations are formed.

My brother, Billy, found out we were considering an ambassador to Martha's Vineyard. We had to explain to him that the name was derived a long time ago. [Laughter]

One of the things that the press has been very good about is to correct mistakes we've made and also to explain difficult questions. I know that all of you realize the complexity of the energy question. I knew it was complicated and confused. But I didn't really realize how complicated and confused till I read the newspapers the next morning.

We are planning, Jody and I, to give an award to the newsperson who can best explain our energy policy in clear and concise language. We have a cogeneration trophy to award as soon as the retrofitting of it is completed. [*Laughter*]

I've had a lot of setbacks and a lot of troubles, as you know, and you've been kind enough to make those clear—[*laughter*—to the American people, which is legitimate and expected, and I don't have any reason to think that objecting to it would help. [*Laughter*]

I was quite at ease with the criticisms that were derived from the Republican leadership. I expected that, and I also expected to drop 10 percent in the polls, and I was not disappointed with that prediction. What did upset me, though, was the other day Jody called and said that he had arranged for a series of television interviews. I was quite pleased, until I found out that it was with David Frost. [*Laughter*]

It's difficult for me to describe the relationship that I have with you. I've tried to get it clear in my mind tonight. There is a great responsibility that we share to understand one another as best we can, to tell the American people the truth as best we can, to realize the tremendous joint responsibility that we have and the eagerness among the people of our Nation to know about their own Government—how decisions are made, the options that we have, the successes and the failures, the hopes and the dreams, the deep con-

cerns—and to reveal the prejudices that still remain is a major responsibility.

Some times we feel a sense of antagonism and disharmony and a lack of adequate communication. But to a major degree, we serve together.

I'm very deeply grateful that you've given me a chance to come here tonight to meet with you.

In closing, let me say that Rosalynn and I appreciate very much the silver centerpiece, and I would also like to express my deep thanks to you for—I would like to express my appreciation to the White House correspondents for—the sense of gratitude that I have for—[*laughter*]—

NOTE: The President spoke at 9:12 p.m. at the Washington Hilton Hotel. He was introduced by Paul Healy of the New York Daily News, the new president of the association. Larry O'Rourke of the Philadelphia Bulletin was the outgoing president.

At the dinner, members of the association presented President Carter with a silver centerpiece, commemorating the Nation's 201st year.

European Broadcast Journalists

Question-and-Answer Session. May 2, 1977

FOREIGN POLICY

DAVID DIMBLEBY [British Broadcasting Corporation]. Mr. President, when you came into office, people in the West were looking to you, on the basis of the campaign you had run, for quite a big boost to the economies of the world. And I wonder whether you think that they may understandably feel a little bit let down at the caution and conservatism you have shown, and you've cut back even on what you've done, and perhaps feel that America hasn't yet begun really to pull her weight to get everybody back to work in the rest of the world.

THE PRESIDENT. Well, we will wind up with an economic stimulus package for this year or next year in excess of \$20 billion, which we consider to be adequate. In addition to that, we have had very encouraging news about our own rate of economic growth in the first 3 months. The unemployment rate has dropped and the gross national product has increased well above what we had anticipated, almost doubling what it was the fourth quarter of 1976.

At the same time, we've addressed some long-range questions that would help our economy in the future to channel our resources where it's needed most. A comprehensive energy policy with an emphasis on conservation will help us to cut down our very serious payments deficit, which this year is likely to be \$12 billion.

As you know, some of the other western governments have a payments surplus. We think we are doing our share to absorb the built-in deficit that's caused by the OPEC oil sales.

MR. DIMBLEBY. But will you be under pressure in London, do you think, from other governments to do more than you have done, or do you think they are quite happy to accept what you have now decided on?

THE PRESIDENT. Well, I can't anticipate what other governments will think, but my judgment is that they will agree that our effort is adequate.

INTERNATIONAL ECONOMY

CARL WEISS [ZDF German Television]. It has been suggested frequently, Mr. President, that your administration expects somewhat higher gross rates, higher stimulating efforts, particularly from countries like Germany and Japan. Now since you have cut yourself back a bit in your stimulating measures, do you still

think that the Federal Republic isn't doing enough?

THE PRESIDENT. Well, that's a judgment for each country to make, of course. Japan and we have tried to stimulate the economy, about 1 percent of our gross national product, which I think is a reasonable level. We have a much higher unemployment rate than does either Japan or Germany. Our inflation rate is already higher than it is in Germany. Our basic inflation rate is about 6 percent. I think that of the Federal Republic is about 4 percent.

These questions are answered best by showing the great difference that exists among nations. Each nation is an individual, but we share common problems on overconsumption of energy, a lack of attention to the future, a lack of concern in dealing with one another and close consultation before we make basic decisions, a lack of attention that has been given in the past to the developing or undeveloped nations of the world.

So, I think the purpose of the summit is not to make every nation exactly the same as others or to criticize one another, but to search out common ground to get to know one another, to set long-range goals on the control of energy consumption, the proliferation of atomic weapon capability, cutting down on the sale of military weapons, and increasing economic growth in the less developed countries. These kind of things are what we hope to address.

EMMANUEL DE LA TAILLE [TFI French Television]. Mr. President, we are very conscious that we are speaking with you from many countries in Europe. I would like to go to the political impact of the crisis. Because of the economic situation, most of the governments in Europe are in a very weak position. They are almost

everywhere looking for confidence and sometimes for money.

Don't you think there is a danger to see the economic crisis leading to political crisis in Europe, and what could be really done during the London summit in order to restore some confidence in the governments?

THE PRESIDENT. I think one of the things that we need to keep in mind is not to expect dramatic solutions to all of the economic problems of the world. Another thing that we need to keep in mind is that the crisis atmosphere that existed a couple of years ago has been alleviated to some degree. I think that most of the nations now are much better off than they were 2 years ago.

A reassuring thought, in addition to that, is that among all our people, particularly those in this country, there's a sense of assurance and confidence that's derived from the fact that I will be co-operating with the leaders of France and the Federal Republic of Germany and Italy and Great Britain and Japan and Canada and others in making plans for the future.

So, I don't think the crisis is something that needs to be a matter of intense concentration or the search for magic answers. The problems that we have had in the past among our own nations are much better resolved than those that exist among nations who are destitute, who have no economic base, who don't have a high standard of living, and who don't have any energy reserves of their own.

We are much better off than most countries, and I think that the strength that we can show among the developed, free, industrial nations in harmonizing our efforts together and dealing with the more unfortunate nations is a great step forward in itself.

MR. WEISS. Speaking of North-South, Mr. President, how far do your views dif-

fer from the views of the European Community as far as establishing of a common commodity fund is concerned?

THE PRESIDENT. It's hard for me to answer that question without knowing what all the other nations feel. We think that on an individual commodity basis, after negotiations have been completed, that a common fund is the best approach.

I think that in my own exchange of letters in several instances with Chancellor Schmidt we've arrived at a fairly compatible approach to this basic question.

We strongly favor, my own administration does, strengthening of the European Community itself. And I think that as we deal with individual commodities that are either in short supply or those which have a history of wildly fluctuating prices, then I think we can more fairly treat our own consumers and also more fairly treat the producers of those raw materials where quite often a very poor country is heavily dependent upon stable prices for a particular commodity.

So, we favor the stabilization of prices with a commodity fund, but we prefer to deal with it on an individual commodity basis.

NATIONAL ENERGY PLAN

MR. DIMBLEBY. Can we turn to your energy policies, which you say you are going to discuss at London? You talked about the energy program being "the moral equivalent of war," but to some people it has given the impression of being rather strong on rhetoric and preaching and rather light when it actually comes to the measures.

I mean I saw an American humorist actually took the four letters m-e-o-w and said the policy amounted to "meow," that in other words it's all talk and there isn't very much there compared with what happens in Europe on controlling energy.

THE PRESIDENT. The goals that we have set for our own energy consumption between now and 1985 are very stringent and the legislative proposals that I have submitted to the Congress are adequate to meet those goals.

MR. DIMBLEBY. If you get them through Congress?

THE PRESIDENT. It we get them through Congress.

MR. DIMBLEBY. Do you think you will get them through Congress?

THE PRESIDENT. I think so. One of the goals, for instance, is to reduce substantially the amount of oil that we anticipate importing in 1985. Our present projections, with no actions, show that we will import about 16 million barrels of oil per day. With the program implemented, we'll cut that 16 million down to less than 6 million barrels per day.

We actually anticipate lowering our gasoline consumption in this country 10 percent below the present level of consumption, and to build up this benefit primarily by conservation induced by tax incentives and also without very serious damage to our own economy.

For instance, we feel that the inflation rate will be affected less than one-half of 1 percent over the period between now and 1985, and in addition, we feel that there is practically a nondetectable adverse impact on the rate of economic growth.

We have a much better opportunity to do this than most of the countries with whom we'll be meeting in London because we waste so much more.

MR. DIMBLEBY. But isn't there a sense in which it's fair to say that some of these things don't appear to have been thought right through? I mean two things we have talked about now, both the economy, where you drop back a third of the growth you were going to give, and then the energy policy, where already the 5

cents, which seems quite a small figure, that you are trying to raise, we heard yesterday—they are saying it's not going to get through Congress. Do you think you, yourself, as President, are moving too fast on too many fronts and haven't actually worked out the mechanics of how you are going to get the things done?

THE PRESIDENT. Well, it's difficult to move too fast on too many fronts and also to have a program that's not adequate because it's so timid. Those to me seem to be inherently incompatible.

MR. DIMBLEBY. Well, too fast in language, I meant, and not clear enough in policy.

THE PRESIDENT. Our goal, for instance, in automobile economy—we now have an average gasoline consumption in our country, in all our automobiles put together, of only 14 miles per gallon, because the American economy has been built around very large, very heavy automobiles. By 1982 we project that the average gasoline economy of new automobiles will be 27½ miles per gallon, almost twice the present fleet level.

This is a dramatic change in purchasing habits of the American people concerning automobiles. So, the changes are quite profound. We consider them to be adequate, and we consider them to be capable of phasing in so that they don't disrupt our economy as we make these basic changes. And those factors are very difficult to accommodate, but I think that we have put together a package that will do that.

NUCLEAR NONPROLIFERATION

MR. WEISS. Can we turn to nuclear matters and proliferation, nonproliferation, Mr. President?

MR. DE LA TAILLE. Yes, Mr. President, I would like to ask you some questions about that. Your new nuclear program

can be seen in Europe as an American pressure in order to prevent the European people from getting more independence in terms of energy, in terms of nuclear fuel or exports. What's your answer to this reaction that you have in Europe, especially in France and in Germany?

THE PRESIDENT. The sharp distinction that needs to be drawn, which hasn't been adequately understood yet, is that we favor the supply of adequate nuclear fuel to nations for power production and we will rapidly increase our own capability in this country to manufacture and to distribute enriched uranium. That is compatible, I think, among all nations.

We also are heavily committed to the prevention of the capability of non-nuclear nations from developing explosives, atomic weapons. We think the key to that is whether or not these non-nuclear countries sign the nonproliferation treaty on the one hand and forgo the opportunity to reprocess spent nuclear fuel or used nuclear fuel into explosives, as was done by India just a few years ago.

This creates a disharmony among us, but I think the basic principle is compatible between us and the Federal Republic of Germany, between us and France.

MR. DIMBLEBY. You have been condemned today by the 59-nation energy conference in Salzburg by the chairman, who is saying that at a time when atomic energy is needed, what you have done is made it harder than ever to get it.

THE PRESIDENT. I think that is an incorrect statement on his part, because as I pointed out, we will substantially increase our production of nuclear fuels. We are very eager to sell our own nuclear powerplants. We are very eager to see other nations do the same.

What we don't want to do is to give these nonnuclear countries the capability of making weapons. And I don't think

these two thrusts of our policy are incompatible.

MR. WEISS. Could you perhaps, Mr. President, explain in some more detail the conditions and criteria under which the United States will in the future reliably supply nuclear fuel? Could nuclear fuel elements originally supplied by the United States be reprocessed in third countries?

THE PRESIDENT. Yes. They are now. And they would be permitted to be reprocessed in the future.

MR. WEISS. Now, the German Federal Government has said it is in no position to retreat from the nuclear exports. Do you consider this still as a deal concluded with Brazil—

MR. DE LA TAILLE. Or France with Pakistan.

THE PRESIDENT. I understand.

MR. WEISS.—as a major impediment to your desire to curb proliferation?

THE PRESIDENT. We have expressed ourselves publicly in this administration—and my predecessor, President Ford, and Secretary Kissinger did the same—in deploring the sale of the reprocessing plants both to Pakistan and to Brazil. This is a decision, though, for France, the Federal Republic of Germany, Brazil, and Pakistan to make themselves. We hope that our objection to this sale, which has been openly expressed, will curb or prevent future sales of this kind being consummated regardless of the action of the nations on these two particular sales.

I don't know what's going to happen in Brazil or Pakistan about these purchases. My understanding is that the Brazilians are quite determined to go through with their reprocessing capability. But we did object to it. We do object to it. We are not going to try to impose our will on other countries. And we believe that our opposition will prevent similar sales in the future.

CONCORDE SST

MR. DE LA TAILLE. Mr. President, before we go farther, I feel obliged to ask you a question about Concorde. You know that it has been largely misinterpreted in Europe and the problem of Concorde is spreading anti-American feelings in Europe, especially in France, as you know. What's your position on the "political noise" of Concorde and the way it could be solved? [*Laughter*]

THE PRESIDENT. My position is very clear. I support the decision made by President Ford and his administration in authorizing a 16-month trial period for the Concorde, both at Dulles Airport, which the Federal Government controls, and also at the John F. Kennedy Airport, which is controlled by local authorities in New York.

As you know, where the Federal Government has had that authority, the test flights are now being conducted by Concorde at Dulles, near Washington. I have no authority at all over the New York Port officials—

MR. DE LA TAILLE. People in Europe don't know that—are not familiar with that.

THE PRESIDENT. I know. That is the crux of the misunderstanding, because in our own Nation, the Executive leaders—even the President has absolutely no authority over the judicial system or the courts, and to try to exert that authority would be a very serious breach of our constitutional processes.

We also have a similar constitutional division of authority between local governments, that is, the State and the city on the one hand compared to the President. I have no authority at all to tell the Governor of New York State or the mayor of New York City nor the New York Port Authority what to do about the Concorde.

We have made our Federal position clear, that we prefer to see John F. Kennedy Airport open to the Concorde for the 16-month period.

HUMAN RIGHTS

MR. DIMBLEBY. Mr. President, can we turn to one area of foreign relations which perhaps made the greatest impact in the last 3 months, which is your stand on human rights and its effect on American foreign policy. I think people may be a bit puzzled now about quite where this is leading and wonder also why you've concentrated so very much on Russia and human rights there, where you are not actually able to do very much, and haven't apparently done anything, for instance, in Iran, a country which you have very close links with and where you could presumably very much influence what in fact went on?

THE PRESIDENT. My stand on human rights is compatible with the strong and proven position taken by almost all Americans. We feel that the right of a human being to be treated fairly in the courts, to be removed from the threat of prison, imprisonment without a trial, to have a life to live that's free is very precious. In the past this deep commitment of the free democracies has quite often not been widely known or accepted or demonstrated.

Our policy is very clear. It doesn't relate just to the Soviet Union. I've always made it clear that it doesn't. It relates to our own country as well. It relates to all those with whom we trade or with whom we communicate.

It's an undeviating commitment that I intend to maintain until the last day I'm in office. And through various means, either public statements or through private negotiations, through sales policies,

we are trying to implement a renewed awareness of the need for human rights in our dealing with all countries.

MR. DIMBLEBY. But has anything been done, for instance, about human rights in Iran since you came into office?

THE PRESIDENT. We feel that it has. But that's something for the Iranian Government to announce and to decide.

MR. DIMBLEBY. But privately you are putting pressure on them?

THE PRESIDENT. Both privately and publicly. I think there are very few leaders in the world now who don't realize that their attitude toward the basic question of human rights is a crucial element in our future relationships with them. This applies not only in the Communist countries. It also applies in totalitarian governments in South America and otherwise. It also applies among our closest friends.

MR. DIMBLEBY. But just lastly on that one point, if, for instance, with Russia you say that your stand on human rights shouldn't affect the SALT talks——

THE PRESIDENT. That's correct.

MR. DIMBLEBY. ——may not other countries in the world say, well, when it actually comes down to practical matters of negotiation, of foreign policy, of aid, America doesn't mean it, it's simply what the President wishes America to be saying all the time rather than doing?

THE PRESIDENT. I think that's not accurate. As you may or may not have noticed, I have a very hard time preventing the American Congress from inserting into the laws of our Nation a direct prohibition against loans or foreign aid programs to countries that violate human rights.

My own best approach has been to treat these countries' violations in a negotiating way so that I can talk to a president of a country or to the leader of a country and say this is a very serious prob-

lem between us, we don't want to put public pressure on you which would make it embarrassing for you to release political prisoners, for instance.

MR. DIMBLEBY. But you did with Russia, very public.

THE PRESIDENT. I have never predicated our stand on SALT or our trade policies with Russia on the basis of the attitude toward human rights. But I think that in many countries around the world there has been initiated a new awareness of the importance of human rights, at least in dealing with our own country.

DÉTENTE

MR. WEISS. Quite generally, Mr. President, what basic rules for the future state of détente would you like to see established between East and West?

THE PRESIDENT. Well, of course, I would like to see the Soviet Union join with us in a demonstrable commitment to put a limit on new atomic weapons, to reduce the number of weapons we presently have authorized and also in place, and eventually eliminate nuclear weapons altogether. I would like to see a comprehensive test ban where no testing of nuclear weapons, either peaceful or for military purposes, is carried out.

I would like to see a prior notice of all test firings to alleviate tensions that exist between our two countries. Also I would like to see us both withdraw any unwarranted influence in the private or internal affairs of African countries where on occasion disputes have been nourished by outside influence.

I would like to see the Indian Ocean demilitarized, and I would like to have the Soviets agree with us to do this, working very closely with India, Australia, and others. I would like to see increased trade between our countries. I would like to see the Soviet Union and us, when we get to

the Belgrade conference, to assess the progress made under the Helsinki agreement, demonstrate along with us that we have moved very strongly toward correcting human rights violations within our own countries—and we have been guilty on occasion. These are the kinds of things that would be very helpful.

MR. WEISS. But you are not—obviously not going to draw—to engage the Soviet Union into a much stronger ideological, global dispute?

THE PRESIDENT. You know, I have no objection to that. We have our own democratic form of government which we think is best. In everything that I do concerning domestic or foreign policy, I like to try to make other people realize that our system works, that freedom of elections, freedom from persecution, that basic human rights being preserved, that a move toward peace, reduction in weapons, prohibition against suffering from inadequate health care and so forth, are part of our national consciousness and that we can demonstrate that it works in this country and serve as an example to others.

I am sure the Soviet Union has always maintained that an ideological struggle was legitimate and they have never refrained from doing so. I don't feel any inclination to refrain from doing it, either.

EUROCOMMUNISM

MR. DE LA TAILLE. Mr. President, I would like to ask you a question which is not related directly to the East-West relations, but maybe could be. What's going to be your attitude if there are someday Communist leaders participating in governments as cabinet members, I mean, in Italy or in France in the case of a victory of the leftist coalition? And how do you see the impact of this question of Communists participating in governments in Europe—in Western Europe, I mean?

THE PRESIDENT. That's a question that is hard for me to answer, and I have got a lot to learn from other leaders of the nations with whom I'll be meeting in London. President Giscard can help me a lot to understand that question. So can Mr. Andreotti.

We have taken the basic position that it's not up to us to tell other people how to vote or how to choose their leaders or who those leaders should be.

Secondly, we strongly favor the election of leaders who are committed to freedom and democracy and who are free from Communist philosophy, which quite often has been dominated from the Soviet Union or other nations.

Third, we believe that the best way to prevent a shift toward communism in Italy or France or other countries is to make sure that the democratic government that's presently in existence works, that it's open to change when necessary, that it's sensitive to the needs of people, that its economic structure is sound, and that the administration of government is both competent and honest.

It's important for us to do this in our own Nation. It's important for other free societies to do that in their countries. And to the extent that there is a demonstrable incapability of governing either because of incompetence or lack of sensitivity or honesty, that opens the door for increased Communist intrusion into the governmental process.

I think that's the best way to approach it, not for us to tell other nations what to do.

BERLIN

MR. WEISS. Sir, do you foresee any changes in the United States attitudes or policies or priorities concerning Berlin?

THE PRESIDENT. No. We will be consulting with the other nations involved, as you know—the Federal Republic, Great

Britain, and France—to reemphasize our commitment to the quadripartite agreement with the Soviet Union on East and West Berlin.

I don't anticipate any change in our policy. What I do anticipate is that we reconfirm our commitment to the policy that has been in effect for the last 25 or more years.

FOREIGN POLICY

MR. DIMBLEBY. When you came to office, Mr. President, you talked a great deal—and during the campaign—about the new openness that you were going to bring to diplomacy. And I wonder now, 3 months in, and after the Moscow talks which collapsed, if you feel that you were too open, that you pitched your bid too publicly and also too high, and that you have in fact set back the cause of disarmament by 3 months?

THE PRESIDENT. No. In the first place, the Moscow talks did not collapse. They are continuing. The Secretary of State, Mr. Vance, and the Foreign Minister, Mr. Gromyko, will continue their talks in Geneva in the middle of this month.

Also, we've established 8 or 10 subcommittees to work on some of the matters that I discussed earlier. I need not repeat those.

My administration, including myself, have been criticized because we have brought into the open some basic foreign policy discussions that in the past took place in secret. I feel that I'll make a better judgment on foreign matters if the Congress and the American people know what my options are, debate these options freely and openly, and that my conclusions are drawn after those debates are completed.

In addition to that, when I do make a decision as President, I think other nations will pay much more attention to my

decision if other nations' leaders know that the Congress and the American people support me.

In the Mideast, for instance, we hope to make some progress this fall. And a description of some of the options that we have available to us, a description as best I can without violating confidence of the different opinions expressed by the Arab countries and Israel, I think, is a very healthy development. We have been 29 years now with no agreement among those nations, and I think it's time to bring out some of the disputes into the open.

MR. DIMBLEBY. But can you yet point to any benefit that's been gained by your openness?

THE PRESIDENT. Well, I think so. I believe we have a much better chance now of reaching an actual reduction in commitments to atomic weapons than we did before, working with the Soviet Union.

I think we have a much better chance this year than we have had in a long number of years to have some substantive move toward peace in the Middle East. I think that we have a much clearer concept around the world of the importance of human rights than we did a few years ago, a few months ago.

I think we have raised the question in a vivid fashion of the dangers to be derived from a continued proliferation of atomic weapon capability, and other points that we have tried to express is a need for conservation in the consumption of energy and for the sale of conventional weapons to the developing nations of the world.

I am not trying to say that our country has taken the only initiative in this. I think other leaders with whom I'll meet in London have done these things long before I did.

THE MIDDLE EAST

MR. DIMBLEBY. Do you believe—you were talking about the Middle East—do

you believe that American influence is sufficient just holding the ring and getting things together, or do you think actually in the end a Middle East solution will only be possible when America decides to use every kind of pressure both on Israel and on the Arab countries to come to a conference?

THE PRESIDENT. It is hard to anticipate what is going to happen in the Middle East. What we are trying to do is to consult extensively and privately with the leaders of the nations involved directly. By the end of May, I will have had long and extended conversations with every one of those nations' leaders.

This has been preceded by visits to those countries by our own Secretary of State. After these meetings are concluded, we will decide, based on the conversations we have had, what are the possible common ground for agreement and what are the remaining disharmonies among the nations concerned.

Then we'll go back to those countries, Secretary of State Vance will make that trip, and we'll put together what we think is a consensus among the nations involved. And I think we'll either go public with it or that we'll try to put together that as a basic agenda for a meeting in Geneva, if it takes place.

I would not hesitate if I saw clearly a fair and equitable solution to use the full strength of our own country and its persuasive powers to bring those nations to agreement. I recognize, though, that we cannot impose our will on others, and unless the countries involved agree, there is no way for us to make progress.

The last point I would like to make is this: Not because of any special quality of our own has this occurred, but I believe it is accurate to say that at this point we have a group of moderate leaders in the Middle East, all of whom have an inclination to trust our Government to be

fair. And if I should ever do anything as President to cause the Arab leaders to think that I was unfair to them and their interests, then the hope for peace would be reduced substantially. And the same thing applies to Israel.

So, we are in effect in the position of a communicator between the parties involved or among them, and also we are in the position of one who can influence countries to modify their positions slightly to accommodate other nations' interests. I think it's a very important position in which I find myself. I take the responsibility very, very heavily.

FOREIGN INTERVENTION

MR. WEISS. Mr. President, I would like to ask you quite generally, how do you assess the mood of the American Nation to intervene abroad, if necessary? I think there is little doubt that the American people would not hesitate to support military action if one of its major allies would be in danger. The public reaction was very cool when the Ford administration considered, for a moment, action in Angola. How do you assess the mood?

THE PRESIDENT. We have deep commitments to Japan, to the NATO countries as an equal partner for mutual defense. These commitments are supported overwhelmingly by the American people. There is no doubt that those commitments would be honored.

The intrusion of American military forces into the internal affairs of other nations is highly unlikely and would not be supported by the American people or by me. The only exception would be if I felt that our own Nation's security was directly threatened.

We could not have supported an American military offensive in Angola. The people of the country nor the Congress would have supported it even if President Ford had decided to go ahead with it.

I think that the unfortunate experience that we had in Vietnam has impressed on the American people deeply, and I hope permanently, the danger of our country resorting to military means in a distant place on Earth when our own security is not being threatened, except under those conditions as it relates to approved treaties that have in effect been ratified by the American people, as is the case with, say, Japan and NATO.

FOREIGN POLICY

MR. DIMBLEBY. Mr. President, our time is coming towards a close. Can I just ask you lastly, you came into this office in January very confident about how you would handle it, not particularly impressed by people who had done it before you, thinking you would be able to do it perfectly well with your own achievements.

Are you chastened in any way by the difference between what you found since you came into office and what you expected when you first walked into the White House?

THE PRESIDENT. Well, I have been almost permanently chastened in my own political career. I have had victories and defeats. I have had high expectations and some of those haven't been realized. But on the whole I have been very pleased, and I see the future of my own administration of the Nation which I serve and of the world community in which we play a part as being one that provides me with a great deal of hope and expectation for improvement.

I do feel chastened, to use your word, to the extent that I know I have got a lot to learn. I see that there is now way for us to make progress without the closest possible harmony, consultation with our allies and our friends, who share with us the blessings of strong and viable economy

and free people. That's why the summit is so important to me and to the people of the United States. I hope that I can contribute something as we meet with other leaders, but I am going to learn as well.

I am not an expert on finance. I know that the Chancellor of Germany, the Prime Minister of Great Britain, the Prime Minister of Japan have all been finance ministers. I expect to learn a lot from them.

MR. DE LA TAILLE. The French President.

THE PRESIDENT. And the French President, too.

I think to the extent that we can understand each other and see our common problems and derive strength from one another, I think to that extent we can approach the future with confidence and hope and the expectation of progress.

I feel very good about the future.

MR. DIMBLEBY. Mr. President, thank you very much.

NOTE: The interview began at 11:35 a.m. in the Library at the White House. It was transmitted via satellite to London where it was videotaped for broadcast on the BBC and on member stations of the European Broadcast Union.

Welfare Reform

Remarks at a News Briefing on Goals and Guidelines. May 2, 1977

THE PRESIDENT. This afternoon I have an explanation to make concerning a basic undertaking that we assumed shortly after I became President. I announced that a comprehensive reform of the Nation's welfare system would be one of our first priorities. Under the general leadership of Secretary of HEW Califano, we've worked with other private and Government agencies during the last 3 months to

assess the present welfare system and to propose improvements to it.

It's much worse than we had anticipated. And although we've conducted hundreds of meetings around the country, and prepared documents and studies that are quite voluminous—and Joe has a briefcase full of them that he will exhibit in a few minutes—we've found that the complexity of the system demands a detailed analysis through computer models and working with Governors and with congressional leaders as well.

I'd like to go over in a few minutes some of the problems with the present system, but I would like to point out that the most important unanimous conclusion is that the present welfare program should be scrapped entirely and a totally new system should be implemented.

This conclusion in no way is meant to disparage the great value of the separate and the individual programs enacted by the Congress over the last 15 years. These include, as you know, a food stamp program for low-income persons, those who work and those who cannot work; the supplemental security income floor for our aged and disabled; work incentives for welfare families with children; increased housing assistance; tax credits; unemployment insurance extensions; enlarged jobs programs; and the indexing of social security payments to counter the biggest threat or enemy of the poor, and that is inflation.

This conclusion that we've drawn today is to say that these many separate programs, taken together, still do not constitute a rational and coherent system that is adequate and fair for all the poor. They are still overly wasteful, capricious, and subject to almost inevitable fraud. They violate many desirable and necessary principles.

We have established the following goals: I've been over these with the con-

gressional leaders, with representatives of the Department of HEW, with Labor, my own economic advisers, OMB, Treasury, to make sure that they are feasible and also advisable. And they will be guidelines for us in the next 3 months as we put together the final legislative proposals.

First of all, the new system will be at no higher initial cost than the present systems combined.

Second, under this system every family with children and a member of the family able to work will have access to a job.

Third, incentives will always encourage full-time and part-time private sector employment.

Fourth, public training and employment programs should be provided when private employment is unavailable.

Fifth, a family should have more income if it works than if it does not work.

Sixth, incentives should be designed to keep families together. Now many of the incentives, deliberately or not, encourage families to be separated.

Seventh, earned income tax credits should be continued to help the working poor.

Eighth, a decent income should be provided also for those who cannot work or earn adequate incomes, with Federal benefits consolidated into a simple cash payment, varying in amount only to accommodate differences in the cost of living from one community to another.

Ninth, the program should be simpler and easier to administer.

Tenth, there should be incentives encouraging honesty and designed to eliminate fraud. What this means is that the accurate reporting of income and financial status will be naturally encouraged among those who receive benefits.

Eleventh, the unpredictable and growing financial burden on local and State governments should be reduced as rapidly as Federal services or resources permit.

And twelfth, local administration of public jobs programs should be emphasized.

Now, we have varying estimates on the number of jobs required to carry out all these programs depending upon the analyses and the basic premises. For instance, to provide this kind of service, we estimate that about 2 million total training and public jobs would be required. We now have plans for about 925,000 public service jobs.

There's no doubt in my mind that with a restoration of the work ethic in our country and with a close relationship with those who need additional employees, in prisons, as teachers' aides or helpers for extensive service workers, those who work in Federal parks, in private industry, among the aged, in recreation centers, that jobs cry out to be filled that are non-competitive with present employees, and we are determined that these should be administered as much as possible in the community where the jobs take place.

We believe that these principles and goals can be met. There will be a heavy emphasis on jobs, on simplicity of administration, on financial incentives to work, on adequate assistance for those who cannot work, on equitable benefits for all needy families, and close cooperation between private groups and officials at all levels of government.

It's obvious that the more jobs that are made available by private industry and public regular employment and in public service jobs and training jobs, then the less cash supplement will be required.

We will work closely with the Congress and with State, local, and community leaders, and we'll have legislative proposals completed by the first week in August prior to the summer homework session of the legislature, of Congress.

Every State has a separate and distinct and unique set of welfare laws, and al-

though we've already started having public hearings, we will go back now when the basic principles have been established, based on the work that Joe Califano and his groups have already done, and work out the final legislative proposals to accommodate the special and unique needs and commitments of each individual State.

If the new legislation can be adopted by the Congress, early in 1978, it will take an estimated 3 additional years to implement the program. The extremely complicated changes will be made carefully and responsibly.

Congressional hearings are already scheduled. Jim Coleman will begin his hearings Wednesday; Secretary Califano will be there to testify on behalf of the administration; and in the Senate the hearings will be conducted by Senator Moynihan.

We'll use these hearings which are already scheduled to permit accurate description of the nature of the task ahead and to permit the proposals to be both explained and debated.

In the meantime, a very important and necessary step has been taken and that is in the administration's proposed reform for the Food Stamp Program to limit the level of assistance based on income and to cash out the Food Stamp Program, or rather to eliminate the mandatory payment for food stamps. We hope the Congress will go ahead with this without delay.

Some of the problems that have been apparent for many years are described on these charts on my left. The widely varying Federal contributions to welfare recipients around the Nation are illustrated very vividly here.

There's a factor of 500 percent or more between the lowest payments in some of the States colored in green compared to

the highest payments in the yellow-colored States with dots on them.

I don't know if you can read it from there, but the States with the yellow and black dots have an average Federal contribution of \$1,125 to \$1,688. The orange-colored States have an average Federal contribution of \$860 to \$1,125. The blue cross-hatched States, \$575 to \$860; and the green States from \$283 to \$575.

One of the basic principles that I described is to have a uniform payment by the Federal Government for welfare recipients around the country, varying in amount only enough to accommodate changes in the cost of living from one community to another.

Another problem with the present system is that the multiplicity of programs not only is confusing to administrators and to those who receive the benefits but also result in almost unconstrained fraud and honest mistakes. This chart shows that 67 percent of the recipients get benefits from two or more programs, 18 percent of the recipients get benefits from five or more different programs; 2 percent of the recipients get benefits from eight or more separate and distinct welfare programs.

The complexity of the system is almost incomprehensible, and the consolidation of the cash payment into one basic aid to the poor—those who cannot work, those who cannot earn enough income to support their families—will be a major step forward.

Another problem arrives from the lack of incentive to work. For instance, a father who heads up a family with four people in it, either a mother and two children or three children, in Michigan, working full time at the minimum wage, has a total income of \$5,678. A same-sized family without the father in the home with still four people there, not working at all, has an income of \$7,161.

A family with the head of the household—a mother and three children—if she goes to work at the minimum wage, has a total income of \$9,530 [\$8,970.]¹

This shows that the best thing that a working father can do to increase the income of the people that he loves is simply to leave home.

Another thing that occurs is for a family that stays intact when the father shifts from a State where his family gets welfare assistance to one where he doesn't get many of the programs to aid him and his family, for instance, a father—and this happens to be Wisconsin—who is working full time at the minimum wage, after he pays his taxes and draws tax credits for earned income and receives food stamps, has an income of \$5,691, working full time.

If that father quit his full-time job and took a half-time job at the same wage scale, minimum wage, his income would jump almost \$3,000, a little more than \$3,000—\$1,300 to \$6,940.

This is another defect in the hodgepodge welfare system that runs counter to the basic commitment of American people that work on a full-time basis—for those who are able to work—is beneficial, ought to be beneficial to a family.

Another thing that happens in the welfare system is that those who are working and receiving benefits, if their income should increase, either to more hours per week, or to a higher wage scale, is quite often counterproductive, and it doesn't take a working person, adult, long to figure out that an increased effort pays no dividends.

For instance, for a family head who again is earning the minimum wage, if they got an increase in income of \$100,

¹ White House Press Office clarification.

they would lose—this is kind of an average for the whole Nation—they would lose \$66.67 in AFDC payments! The earned income tax credit—they would lose \$10; food stamps—they would lose \$9.90; housing assistance, where that is paid, lose \$8.25. So, they would lose, out of the \$100 increase in check, salary, \$94.82, which means that they would have a net reward of only \$5 out of an increase in earnings of \$100.

So, you can see there's very little incentive to work your way off welfare.

I might point out that the legislative leaders, particularly Congressman Ullman and Senator Long, have been through these proposals with us the last time this morning. And this is going to require a very close working relationship with the committees involved.

It's one of those long-standing needs in the Federal Government that has not yet been addressed, and comprehensive welfare reform is long overdue.

I think we have an excellent chance to meet all the principles and goals that we've described here. We will meet the time schedule to present to the Congress the complete legislative package by the first part of August.

The first priority of the Congress, as far as I am concerned, should be the rapid passage of the energy reform legislation.

Later on this year, we will also present to the Congress comprehensive tax reform legislation. We will also have to present to the Congress very shortly our analysis of the needs for the social security package, and there are many other major proposals that are being evolved very carefully and presented to the Congress in a timely way.

I'll have to depend upon, of course, the congressional leaders to decide in which order they will address these major efforts. As most of you, I am sure, are aware, these proposals that I have outlined fall on exactly the same committees. The Ways

and Means Committee in the House, under Congressman Ullman, will handle most of the parts of energy that relates to taxation—tax reform, social security, as well as welfare reform.

And all of the subcommittees will begin work immediately. The difficulty in addressing this many major proposals from me and my administration is very difficult for them to assimilate.

It's almost as bad in the Senate, in the Finance Committee, where they handle most of the same questions. But we're determined to proceed expeditiously, and Joe Califano, Ray Marshall, Mike Blumenthal, Charlie Schultze, Bert Lance, and others are doing an extraordinarily good job so far in putting together an analysis of what we have and recommending what we ought to have in the future.

We've also had good response from the Governors and local administrators in trying to give us advice on how administration of the program could be improved.

I would like to ask Joe Califano now to describe to you in more detail what we will do specifically between now and the first week in August and to answer your questions about the principles that I have outlined this afternoon.

Secretary Califano.

I'd like for Joe also to show you what books and all they've presented to me. I can't claim that I've read them all.

SECRETARY MARSHALL. Here is the report.

SECRETARY CALIFANO. These are the reports, Mr. President, so far of the work that has been done, which we presented. These reports are largely—

THE PRESIDENT. This will give me something to do while I am over at the summit meeting. This, by the way, does not include the computer analyses that have been run to show the impact of the various proposals. And it's obvious that there has to be a close relationship be-

tween the people who cannot work that will depend on the cashed out payments, those who can work and earn an income less than adequate for a family, who would receive additional incentives, and those who can work full time but haven't been able to find a job. And that's why it's so crucial that the income tax structure, the HEW Department, and the Labor Department share responsibilities for the comprehensive package.

Thank you very much.

NOTE: The President spoke at 2 p.m. in Room 450 of the Old Executive Office Building. The White House press release also included the transcript of a question-and-answer session with reporters by Secretary of Health, Education, and Welfare Joseph A. Califano, Jr., and Secretary of Labor F. Ray Marshall.

European Newspaper Journalists

Question-and-Answer Session.
April 25, 1977

FRED EMERY [The Times, London]. We tried to have a European unity parley here to get organized with questions and order of sitting. It has proved impossible. We are not going to unite. [*Laughter*]

THE PRESIDENT. We will make it informal. I am glad to have you here. I am looking forward to meeting with the leaders of your own countries when we go to Europe.

I will defer to your questions.

VIEWS ON THE PRESIDENCY

MR. EMERY. As I say, we have tried to prepare some things. Mr. President, you know that quite a few people in Europe are puzzled and some are refreshed by the way you are going about governing. How do you describe your first hundred days in office?

THE PRESIDENT. I have been pleased so far at the response of the American people to our administration. I think we have attempted to address some very difficult questions which, in the past, have been either ignored or delayed.

Last week I spent presenting our energy proposals to the American people. We have evolved and laid before the Soviet Government a comprehensive reduction proposal in nuclear armaments. We have begun to reduce the effort to sell conventional arms around the world. We have spelled out a strong position, which has not been unanimously accepted well, on nonproliferation of nuclear explosive capability.

I have, I think, accurately mirrored the American people's beliefs on public espousal of human rights. We have begun to reorganize our own Nation's Government and to commence proposals which will ultimately transform our welfare system and our income tax structure. I have made some—sometimes controversial—decisions to prevent the raising of trade barriers and have had an almost unprecedented stream of distinguished visitors here from other countries. This past week, four foreign leaders came to see me.

So, in all of these areas I think we have been fairly successful, either in beginning efforts or in some few accomplishments at this early time. The relationship between myself and the American people is very good now.

MR. EMERY. May I interrupt to say—

THE PRESIDENT. Please.

MR. EMERY. How about your relations with Congress—

THE PRESIDENT. That was the other clause in my sentence.

MR. EMERY. —the business community and the unions?

THE PRESIDENT. I think the relationship with Congress has been steadily im-

proving as we have gotten to know one another. The first time I was ever in the House of Representatives was Wednesday night when I made my speech. I had never visited there before. But I believe that within the Democratic leadership now, there is a growing sense of mutual understanding and trust and consultation that has gotten to be a habit—and a good one.

I think the business community has begun to recognize that my own background as a businessman will help to color the decisions that I make about economics, and I think that I have a fairly good relationship with labor, as well.

So, in general, as a completely unbiased observer, I have been pleased. [*Laughter*]

We have got a long way to go. I have a lot to learn. And we are studying how to restore normal relationships with governments where those relations have been strained in the past. We are exploring some possibilities for the resolution of the historic conflict in the Middle East. We are trying to work closely with Great Britain's leaders in describing a proper role for us in southern Africa. And I think we have got a possibility at the meetings in London to more strongly establish my personal friendship and understanding with the European leaders as well. So I feel good about the administration so far.

RELATIONS WITH EUROPE

HENRI PIERRE [*Le Monde*, Paris] Can I ask you a general question about Europe? Since you took office, we have the feeling in Europe that the relationship between the United States and Europe are now getting the same priority as the American-Soviet relationship. What is your general approach regarding Europe and, more precisely, regarding the European Community? Some of your predecessors, we

feel, seemed to fear that a united Europe, if it comes to be, might be a competitor, might be going against the political and economic American interests. Do you share those fears?

THE PRESIDENT. No. I think within 100 hours of my becoming President, the Vice President had begun consultations with the leaders of many nations in Europe. I have already met with Prime Minister Callaghan, with the leaders of Portugal, with the European Community, NATO. I will meet with the other leaders within the next 2 weeks. And this will likely be the only trip I shall take outside our country this year. I have no other plans at this time.

I think all these items describe my deep concern about good relationships with Europe. I see no way that we can have a successful resolution of East-West problems without the full comprehension, understanding, participation with our allies and friends in Europe.

We have, in addition to that, demonstrated, I think, in my own budget proposals to the Congress, an increasing emphasis on military capability within NATO. And I intend to stay over after the conference with the heads of state, to meet with the NATO leaders as well.

The people of our country, regardless of who happens to be President, have a natural sense that our historical ties and our future are intimately related with the European countries.

The other part of your question is that I strongly favor, perhaps more than my predecessors, a close interrelationship among the nations of Europe, the European Community, in particular.

We have a legitimate reticence about trying to interfere, but I will do everything I can within the bounds of propriety to strengthen those natural ties—economically, politically, militarily—that do exist now among the countries of Europe

and to strengthen them in the future. And when the nations involved consider it appropriate, I would certainly welcome the absorption within the European Community of Portugal and Spain.

So, I think that already I have both come to realize and also have begun to act on the premise of a strong Europe as essential to our own good future and have recognized the importance of the bilateral relationships with the nations involved.

NATO

VITTORIO ZUCCONI [La Stampa, Turin]. Mr. President, about NATO, do you think that NATO is still a viable alliance as it is now after 30 years of existence, and do you foresee or wish any change? Do you think the Europeans should do more in their own defense? You might share your thoughts on NATO with us.

THE PRESIDENT. Yes. I think the NATO military alliance is a cornerstone of our own national security. I think the degree of cooperation that has evolved from NATO since its inception has helped to tie our nations together in political and economic and social ways. So the military alliance has been a core around which our good progress has been enhanced.

I have been concerned about the need for a more fair sharing of military supplies and weapons among the countries involved. It ought to be a two-way street and, to the extent that we can have common understandings about standardizing weapons systems, I believe that we will increase the portion that does come from the European suppliers.

I would hope that within the next 12 months, that the other leaders and I could acquire a renewed commitment to NATO principles and improvements on a multi-lateral basis. I am quite reluctant to move unilaterally in this field because I am so new. I have a lot to learn from the leaders

of France and Germany and Great Britain and other countries where they have been involved so long.

The last point is that the differences that we have had among us, I think, can only be resolved among the heads of state. And with the Leopard tank and the AWACS system—these matters are of tactical importance, but they don't endanger the total commitment of our countries to share in our future security. And although France is not a complete partner in the process as far as mutual defense is concerned, that is not a matter of great concern to us.

We have among the American people an almost unanimous belief that NATO is a very beneficial commitment to us. So, I see no danger of a deterioration in the NATO alliance.

EUROCOMMUNISM

MR. ZUCCONI. That leads inevitably to the question of the political situation, certainly, in the European countries, among which Italy and France—how do you react to the growth of the Marxist left, so-called Eurocommunists in those countries? How would you react to the possibility of coalition governments in a member's country, with a role for the Communists in it?

THE PRESIDENT. I think the first premise on which we function is that the European citizens are perfectly capable of making their own decisions about political matters through the free election process.

Within my own memory, this is the first time that all the NATO countries have been democracies. And I think this is a very good evolution that we have already witnessed.

Secondly, we prefer that the governments involved continue to be democratic and that no totalitarian elements become

either influential or dominant. And I would hope that the democratic parties would prevail during the coming years in the struggle for political authority.

I believe that the best way we can prevent the enhancement of Communist political strength in Europe is to show that democratically controlled governments can function effectively and openly and with humaneness and a genuine and continuing comprehension of what people need and expect from government.

To the extent that we fail as democracies, as democratic leaders, to live up to the ideals that exemplify our own commitments, to that extent we open the opportunity for Communist parties to be more successful.

So, to summarize, I think each country has to make its own decisions in the electoral process. I am pleased at the enhanced degree of commitment to the democratic governments. We certainly prefer that the democratic parties prevail in the future. And we can encourage that process not by interfering in electoral procedures within countries themselves, but making the system work ourselves.

FOREIGN POLICY

HORST-ALEXANDER SIEBERT [Die Welt, Bonn]. Mr. President, the economic summit is only a couple of days away. The meeting of the heads of state shows clearly how interdependent the economies are, and that this interdependence is rapidly growing. How much sovereignty is the United States willing to give up in the decisionmaking process?

THE PRESIDENT. None. [*Laughter*]

MR. SIEBERT. None?

THE PRESIDENT. Not to give up sovereignty. I think within the bounds of sovereignty to be maintained by all the nations, though, cooperation is very important.

As I search for a proper way to exemplify the sovereignty and independence of our own Nation, I want to make the right decisions that are best for our own people. I don't think there is any doubt that our own people are best served when we do cooperate with our allies, when we have open and free trade, when we have a proper concern about the less-developed nations, when we do have military security, when we have international lending institutions like the World Bank that can function effectively, when we have a proper and multilateral approach to solving the chronic and rapidly deteriorating energy circumstances—all those things that are multilateral in nature and require cooperation and unselfishness can enhance, I believe, the legitimate sovereignty of nations and the protection by leaders of the sovereignty.

So, with the exception of your use of the word "sovereignty," I think that we need to be sure that our actions are unselfish and predicated on proper consultation and a sharing of both opportunity and the resolution of problems.

INTERNATIONAL ECONOMY

MR. SIEBERT. The American economic growth has accelerated, and you, Mr. President, recommended a sharply reduced stimulus, fiscal stimulus, for 1977.

THE PRESIDENT. Yes.

MR. SIEBERT. Has the focus of the summit altered? Will you still press for higher internal deficits and lower external surpluses by Germany and Japan?

THE PRESIDENT. We have left intact an economic stimulus package for the 1977–1978 years, the 18-month period, of a little more than \$20 billion, which we consider to be adequate.

It still is a substantial amount of stimulus effort, and I would hope that the countries that are relatively affluent and

economically strong might provide some stimulus for the rest of the free world economy.

There is an element of trade which is of concern. The OPEC nations have a positive trade balance of about \$40 billion. All the other nations in the world who are their trading partners have to have a deficit of about \$40 billion. To the extent that the strong nations like ourselves, Japan, Germany, and others, can absorb part of that deficit, it takes that requirement away from the much weaker nations who have to share it with us.

So, to that extent, I am willing for our country to experience some controllable international trade deficits for a while. And we have cut our own national budget deficit down from about \$65 billion to \$47 billion or \$48 billion this year. Next year it is going to go up some.

But I think that it is a matter of each nation deciding on its own what is best for its citizens but, at the same time, recognizing that when we are selfish and try to have large trade surpluses and a very tight restraint on the international economy, that we make the weaker nations suffer too much.

ECONOMIC SUMMIT MEETING

MR. SIEBERT. Mr. President, are you carrying major proposals to London, and what kind?

THE PRESIDENT. I think those specific agenda items would best be reserved until we get there. You are perfectly at liberty to talk to the people in the offices of the Secretary of State and the Secretary of the Treasury. But as far as my own comments as President, I think I would rather wait until later to talk about that.

NUCLEAR NONPROLIFERATION

MR. EMERY. Can I bring you back to energy? We are very struck by the fact

that at the same time as you can mention an item like "unselfishness" on American commitments to help allies with their petroleum deficiencies in times of crisis, through this conference in Paris, at the same time energy always seems to be the biggest source of discontent and discord between us. Look at the results of the Middle East war and the energy crisis that followed.

Now, your own nuclear energy policy, which, while many leaders give lip service to, they seem to be in some concern over, namely, your ban on plutonium and what you intend to do in terms of international policy.

So, my question really is, how can we stay united and be so disunited assuming, if I am correct, that Germany and France go ahead with their nuclear deals?

THE PRESIDENT. I think you would have to go back, to save time, and read the minutes of my press conference when I described our own reprocessing policy. I made it clear that I was not trying to tell Germany and France, Great Britain, Japan, what to do within their own countries. We have actually built and attempted to operate two reprocessing plants unsuccessfully.

We are blessed with moderate quantities of uranium ore and large quantities of coal and reasonable quantities of natural gas and oil. I don't believe that within the next 20 years we will need to move to commercial use of the breeder reactor, which is the initiation of the plutonium society. I cannot speak for other countries.

I am very much aware that the waste products from our own light water reactors, using enriched uranium, are being held intact. They are not being destroyed or wasted. If we should need in the future, they will be there.

The third point is that I am deeply concerned if nations who presently do not have the capability of building nuclear ex-

plosives should have them. And we are going to do what we can in the trade of nuclear fuels and nuclear powerplants to reduce that number of nations who have the ability to build nuclear explosives.

And the process has to start somewhere, and in our own Nation's history, it happened to have started with me. It was a campaign commitment of mine, shared, by the way, with my opponent, President Ford, and I have no reticence about imposing it.

This is a matter of contention. We would prefer that reprocessing plants not be sold to other nations of the world, particularly those who have not signed the Non-Proliferation Treaty. But some of the trades or contracts had already been initiated or consummated.

We have let our views be known, but we recognize the autonomy of nations to deal as they see fit.

So, I think that the present competition and some degree of disharmony among nations on energy might very well be exacerbated badly unless we all try to conserve energy as much as possible.

And I am not criticizing other nations when I say that I am very glad that we have finally moved, after being wasteful to the extreme degree for so long, toward a new policy that will be built around conservation of all kinds of energy supplies. And I would guess that our own action, as a very powerful, influential nation, might induce other countries to join with us in a mutual commitment to both inventory energy supplies, assure a more fair distribution in the future, and reduce the waste of them.

FOREIGN TRADE

MR. SIEBERT. Mr. President, you spoke already about foreign trade, about the protectionist pressure in the United States growing. Do you think you can resist the demands of the unions and some indus-

tries? What is your philosophy on international trade and what are your objectives?

THE PRESIDENT. Yes. I can't guarantee it, but I believe and I hope that I can resist pressures of this kind. Among all the nations who will be participating in the economic summit, I would guess that our unemployment rate is the highest. It is running in excess of 7 percent. And with the high unemployment rate comes extraordinary pressure to get ones own workers reemployed.

My position on trade restraints was spelled out very clearly during the long campaign that I conducted. And it is based around the hope that whenever American jobs are excessively in danger, that we can best resolve this question by bilateral and voluntary agreements on the importation of overly competitive goods.

I think this is the case in shoes from Taiwan and South Korea. I think it will be the case with color television sets from Japan. And I would hope that this would be an adequate pattern.

The Congress of the United States has the authority under the law to override my decisions if they are not considered to be adequate. But I believe that I can prevail.

MR. SIEBERT. The industrialized world must find answers to the demands of the developing nations or the North-South conflict will become more serious. What is your position on commodity arrangements, common funds, and the debt situation? Let's put it this way: What can we offer them?

THE PRESIDENT. Again, I think that specific question can best be answered at a later time. I have my own ideas about it, but they will be much more firmly developed when I get to the London conference.

And as we approach the CIEC [Conference on International Economic Co-

operation] meeting which will follow immediately thereafter, I would hope that the advanced industrial nations could provide a more uniform, comprehensive, and compatible approach to that very serious question. I just don't feel that I am qualified at this point—

MR. SIEBERT. At this point, perhaps, you can take this. How do you look at the future role of the international organizations like World Bank and the International Monetary Fund? Do you think those roles should be broad and they should get—

THE PRESIDENT. I think they should be broadened and strengthened. I believe that this is very important.

MR. SIEBERT. Thank you.

THE PRESIDENT. In the multinational trade agreements and GATT [General Agreement on Tariffs and Trade] and OECD [Organization for Economic Cooperation and Development] and the International Energy Agency and the World Bank, regional banks—I believe that is a proper place for continuing multilateral interrelationships. And I think in many instances, it is better to approach the problems of the nations of the Southern Hemisphere through those mechanisms than through bilateral actions. There are a few exceptions. But I will do all I can to strengthen those entities that are discussed.

RELATIONS WITH THE SOVIET UNION

MR. ZUCCONI. Mr. President, let's move again from North-South to East-West.

A few people might have been concerned about the situation and the relationship between the United States and the Soviet Union. Let me put it bluntly as the man in the street would. Are we in for another cold war?

THE PRESIDENT. No. I think not. We proposed to the Soviet Union two options: one was a fairly quick ratification of the basic agreements that had been derived from the Vladivostok conference; the other option is our preference, and that is a much more drastic and deep reduction in the level of nuclear armaments, with a prohibition against the evolution of new weapons systems, and a much more open capability of confirming that the agreements are being honored.

The worst that can happen, in my opinion, is a standoff at the present pace of development, which would be very unfortunate. I don't believe that either the Soviet Union or we want to continue this armaments race which is very costly and also increasingly dangerous.

The second level of achievement would be a ratification of the basic Vladivostok terms. And I would never give up both the hope and the effort to move toward ultimate elimination of atomic weapons altogether. Over a long period of time that should be our goal. And I would hope that when I go out of office, that we will have reduced the level of nuclear armaments substantially throughout the world.

MR. ZUCCONI. So, you are still optimistic even in the short term?

THE PRESIDENT. I am. Yes.

HUMAN RIGHTS

MR. PIERRE. About the human rights policy, do you feel satisfied how it is going?—and I will ask you a nasty question.

THE PRESIDENT. Please go ahead.

MR. PIERRE. We read in the press recently that the three leaders of the Russian trade union couldn't get visas. So, how can it be reconciled with your declared intention of making easier the entry of this country? Belgrade will come soon—

THE PRESIDENT. Compared to what we have done in the past, we have lowered the barriers altogether, almost. This was an exception, and I was not involved in the decision. But I certainly support it.

There are no prohibitions now against American citizens traveling anywhere in the world, initiated by us. For the first time, Americans can go to North Korea, to Vietnam, to Cambodia, to Cuba. They couldn't a couple of months ago. We have removed the constraints in our own Nation on travel as well as from aliens.

There will be a need to change the basic American law that was written during the cold war. I would be in favor of removing all restrictions on travel, except those that have to be; that would be minimal.

As far as the human rights effort is concerned, this is a position that is compatible with the character of the American people. It is one that is almost overwhelmingly supported by the American people. It is one that will be permanent. And it is one that has to be pursued in a very sensitive way.

We can't change the structure of governments in foreign countries. We can't demand complete compatibility in a system of government or even basic philosophies with our own, but we reserve the right to speak out freely and aggressively when we are concerned.

So, I think that although there has been some temporary adverse reaction to our position on human rights, perhaps in the Soviet Union, in Brazil, and maybe a few other countries, I don't intend to back down on it.

ZAIRE

MR. EMERY. This is a very brief question. We are struck by the fact that you are willing to coordinate your policies with Britain in seeking to avert a race war in southern Africa; and yet, in the case

where there has been an invasion, apparently, across the frontier into Zaire from neighboring Angola, you appear to wish to stay out of any involvement and—how shall I say it—leave it to the French? Is that a fair characterization, and can you tell us what your policy is?

THE PRESIDENT. We have an aversion to military involvement in foreign countries. We are suffering, or benefiting, from the experience that we had in Vietnam. It would not be possible for the American people to support an invasion force with the United States into the Shaba region of Zaire.

We have continued to send Zaire aid and supplies, C-130's, ammunition, fuel, medical supplies, parachutes, and so forth.¹

We obviously did not interfere in the decisions made by the Egyptians, Moroccans, the French Government, to give Zaire more direct aid. We certainly don't disapprove it.

I think when the European countries or the African nations, because of close political and historical ties with Mobutu and his government, are inclined to be more active in their help for him, we, you know, would certainly approve of that, of their prerogative.

So, we would like to see the boundaries of the African nations honored. We are friendly with Mobutu and the Government of Zaire.

¹ On May 5, the White House Press Office released the following clarification of the President's statement:

The President was referring to the fact that previous administrations have supplied ammunition to Zaire. This administration has not sent any ammunition to Zaire and is not sending any during the present crisis. Zaire has a total of five C-130's provided by previous administrations and will shortly be receiving an additional C-130. We have continued to supply spare parts for C-130's.

We do not intend to get militarily involved, unless our own security is directly threatened, in the affairs of other countries.

We honor and respect and appreciate the action that the French and the Moroccan and Egyptian nations have taken.

MR. EMERY. Thank you.

THE PRESIDENT. I have enjoyed it.

MR. EMERY. We enjoyed it. I am sure we could go on.

THE PRESIDENT. I wouldn't want to bore you. [*Laughter*]

NOTE: The interview began at 2:30 p.m. in the Oval Office at the White House.

As printed above, this item follows the text of the White House press release, which was released on May 3.

United States Ambassador to Nepal

*Nomination of L. Douglas Heck.
May 3, 1977*

The President today announced that he will nominate L. Douglas Heck, of Clatskanie, Oreg., to be Ambassador Extraordinary and Plenipotentiary of the United States to the Kingdom of Nepal. Heck is Director for Combating Terrorism in the Office of the Deputy Under Secretary of State for Management.

He was born on December 14, 1917, in Bern, Switzerland, of American parents. He received a B.A. in 1941 from Yale University.

From 1943 to 1945, he served as division assistant, then unit head, in the Division of World Trade Intelligence. From 1945 to 1952, Heck was assistant chief, acting chief, then chief of the Biographic Information Division.

In 1952 and 1953, Heck served as Acting Director of the Office of Library Information and from 1953 to 1959, he was

political officer in Calcutta. From 1959 to 1962, he was Deputy Chief of Mission in Nicosia.

From 1962 to 1965, Heck was counselor of political affairs in New Delhi. He attended the National War College in 1965-66, and in 1966 served as a personnel staffing specialist in the State Department.

Heck was Country Director for India, Ceylon, Nepal, and the Maldiv Islands from 1966 to 1968. From 1968 to 1970, he was Consul General in Istanbul. He was Deputy Chief of Mission in Tehran from 1970 to 1974.

Heck served as Ambassador to the Republic of Niger from 1974 until 1976, when he took his present position.

United States Ambassador to Finland

*Nomination of Rozanne L. Ridgway.
May 3, 1977*

The President today announced that he will nominate Rozanne L. Ridgway, of Washington, D.C., to be Ambassador Extraordinary and Plenipotentiary of the United States to Finland. She is currently Deputy Assistant Secretary of State for Oceans and Fisheries Affairs, with the rank of Ambassador.

Ridgway was born on August 22, 1935, in St. Paul, Minn. She received a B.A. in 1957 from Hamline University.

From 1957 to 1959, Ridgway was an information specialist at the State Department and from 1959 to 1962, she was personnel officer in Manila. From 1962 to 1964, she served as visa officer in Palermo.

From 1964 to 1967, Ridgway was an international relations officer at the State Department and from 1967 to 1970, she was political officer in Oslo. From 1970

to 1972, she was an international relations officer at the State Department.

In 1972 and 1973, Ridgway was Deputy Director of Policy Planning and Coordination in the Bureau of Inter-American Affairs. She was Deputy Chief of Mission in Nassau from 1973 until 1975, when she became Deputy Assistant Secretary of State for Oceans and Fisheries Affairs.

Ridgway received the Superior Honor Award in 1966 and 1975, the Meritorious Honor Award in 1970, and the William Jump Meritorious Award from the National Fisheries Institute.

Presidential Task Force on the District of Columbia

Announcement of Formation and Membership. May 3, 1977

President Carter today announced formation of a 14-member Presidential Task Force on the District of Columbia. The Task Force, designed as an intergovernmental working group on District problems, will consist of representatives of Congress, the District government, and the executive branch. The Task Force will establish a mutual agenda of issues for the city and the Federal Government to explore and will help provide recommendations for Presidential review.

The President said the Task Force will be an informal vehicle for discussing short- and long-term issues affecting the Federal-District relationship. The group will consider alternative ways for approaching problems that require Federal and local collaboration.

Vice President Mondale has been designated as the Convenor of the Task Force, with White House District Liaison Martha "Bunny" Mitchell as Coordinator.

The Vice President will convene the initial Task Force meeting within the next few weeks, oversee the activities of the executive branch working group, and help formulate recommendations to the President.

The congressional representatives on the Task Force are House District Committee chairman Charles Diggs (D-Mich.); District Delegate Walter Fauntroy (D-D.C.); Representative Stewart McKinney (R-Conn.), ranking Republican on the House District Committee; Representative William Natcher (D-Ky.), House Appropriations District Subcommittee chairman; Senate District Subcommittee chairman Thomas Eagleton (D-Mo.); Senator Charles Mathias (R-Md.), ranking Republican on the Senate District Committee; and Senator Patrick Leahy (D-Vt.), Senate Appropriations District Subcommittee chairman.

The District government will be represented by Mayor Walter Washington and Council Chairman Sterling Tucker.

Besides Mrs. Mitchell the executive branch representatives are Jim Dyke, of the Vice President's staff; Peter Fannon, of the Office of Management and Budget; and Kurt Schmoke, of the Domestic Policy Council.

The permanent Task Force members were asked to serve because of their official positions and responsibilities.

Other governmental officials will be asked to contribute to the discussion of issues related to their specific concerns. Citizen input should be made through the locally elected District representatives—the mayor, Chairman Tucker, and Delegate Fauntroy.

The idea for such a Task Force was first suggested during a recent meeting between the President, Vice President, and congressional Members on March 15 to discuss District issues. That meeting was requested by House District Commit-

tee Chairman Charles Diggs, as an opportunity to focus Federal attention on the needs of the District.

Vice President Mondale's Trip to Europe

*Statement on the Vice President's Trip.
May 3, 1977*

I leave for London later this week for summit talks of the very greatest importance to this Nation's international political and economic interests. These talks are central to the priority steps I am taking in the first year of my administration with our friends and allies to ensure the greatest possible understanding, cooperation, and progress in our common interests.

I am very pleased to announce today that I am asking Vice President Mondale to undertake an important overseas mission in my behalf later this month.

The Vice President will be traveling to Portugal, Spain, Austria, Yugoslavia, and the United Kingdom on a mission that will enable this administration to pursue as effectively as possible additional foreign policy objectives that are also central to the goals of my administration. In Lisbon and Madrid, the Vice President will continue the important consultations we have begun with the Portuguese and Spanish Governments. I believe I speak for the American people when I say how very deeply encouraged we are by the return to democracy in Portugal and by the steps Spain is taking to build a true and just democracy. We value the closest possible consultations with these governments at this important time in their histories—consultations which will enable us to build on our cooperation in all fields of mutual interest.

The Vice President's visit to Vienna, Austria, will have two prime objectives. We view Austria as a good friend of the United States. I have the highest respect for the Austrian Chancellor, Bruno Kreisky, whom I regard as an important international statesman. And I have asked the Vice President to meet with the Chancellor and other leaders of the Austrian Government not only for bilateral consultations but also so that we may have the benefit of their views on a number of important international issues.

A few weeks ago, I mentioned that I had asked the Vice President to play a key role, in close coordination with Secretary Vance and Ambassador Young, in the development of the administration's policy toward Africa. In keeping with that role, the Vice President will meet with Prime Minister Vorster of the Republic of South Africa while he is in Vienna. Prime Minister Vorster, like ourselves, has an interest in meeting to discuss developments in southern Africa. We have been working closely with the British Government on Foreign Secretary Owen's efforts to make progress on Rhodesia. Separately, we have been working closely with the British and other governments on the issue of Namibia. The talks in Vienna will enable the Vice President, in my behalf, to discuss these complex issues with the South African Prime Minister and to state our views on the crucial role which can be played by the South African Government in bringing the needed changes in southern Africa.

In this regard we are very grateful to Prime Minister Kreisky for the hospitality being given by the Austrian Government.

The Vice President's visit to Yugoslavia for talks with President Tito and members of the Yugoslav leadership will mark the first high-level U.S.-Yugoslav consultations under my administration. The U.S. places importance on Yugo-

slavia's independence, political unity, and territorial integrity, and we recognize Yugoslavia's and President Tito's vital role in providing leadership to the non-aligned world. I believe these early consultations with President Tito will be of great value.

Finally, I have asked the Vice President to include a stop in the U.K. to continue the close consultations we are conducting with the British Government on developments related to southern Africa.

Ethics in Government

Message to the Congress. May 3, 1977

To the Congress of the United States:

During my campaign I promised the American people that as President I would assure that their government is devoted exclusively to the public interest. I began fulfilling that promise by making information on my own financial interests publicly available. I have also required that all Presidential appointees disclose their business and financial interests, to remove any possibility of hidden conflicts of interest. In addition, I have obtained a commitment from these officials to adhere to tighter restrictions after leaving government, in order to curb the "revolving door" practice that has too often permitted former officials to exploit their government contacts for private gain.

To expand upon the actions I have taken so far, I am submitting to Congress the Ethics in Government Act of 1977. This bill will establish far-reaching safeguards against conflicts of interest and abuse of the public trust by government officials. The bill incorporates the standards I have required of my own appointees, and extends their coverage to other high-ranking officials. It builds upon the Comptroller General's two-year

investigation of conflict of interest enforcement in the Executive Branch. It also parallels the unprecedented efforts the Congress has made to strengthen ethical standards for its members.

In addition to strengthening conflict of interest controls through the Ethics in Government Act, I am today announcing support for legislation to authorize appointment of a temporary Special Prosecutor to handle cases of misconduct by high-ranking Executive Branch officials.

Both Houses have recently adopted new Codes of Conduct which are milestones in the history of government action to prevent actual or potential conflicts of interest. The leadership of both Houses have also pledged personal support for enactment of these new Codes into law. The Senate is currently considering S. 555, the Public Official Integrity Act of 1977, and the House, in addition to creating a Select Committee on Ethics to enact its new Code into law, has also been working on legislation to establish government-wide ethical standards. I am confident that through our joint efforts, legislation prescribing government-wide standards of conduct will be considered and passed this year.

The Ethics in Government Act calls for a three-part program of financial disclosure, creation of a new Office of Ethics in the Civil Service Commission, and strengthened restrictions on post-employment activities of government officials.

First, the Ethics in Government Act would require policy-making officials, whether political appointees or top-level career civil servants, to disclose publicly their financial interests. Currently, policy-making employees must file statements of financial interest, but these statements are not available to the public. In addition to requiring public disclosure, the Act would require collection of more extensive information about employees' financial

interests than the current Executive Order. Each official's report will include information on:

- income, whether earned or from investments;
- gifts, including travel, lodging, food and entertainment;
- assets, liabilities and financial transactions;
- positions held in business and professional organizations;
- agreements for future employment.

The vast majority of government officials, of course, have always followed strict ethical standards. I respect their efforts and integrity, and I have carefully considered the new obligations that this legislation will place on them. The provisions of the Act would strike a careful balance between the rights of these individuals to their privacy and the right of the American people to know that their public officials are free from conflicts of interest.

Second, the Ethics in Government Act would strengthen existing restrictions on the revolving door between government and private industry. All too often officials have come into government for a short time and then left to accept a job in private industry, where one of their primary responsibilities is to handle contacts with the former employer. To restrict this kind of arrangement I propose:

1. An extension of the current prohibition on appearances before an agency of former employment on matters that were under the official's responsibility:
 - by extending the period of the prohibition from one year to two; and
 - by including informal as well as formal contacts.
2. A new and broader ban on formal or informal contact on other matters with agencies of former employ-

ment, for a period of one year after the end of government service.

These rules also reflect a balance. They do not place unfair restrictions on the jobs former government officials may choose, but they will prevent the misuse of influence acquired through public service.

Third, this Act would establish a new Office of Government Ethics in the Civil Service Commission. Under the existing Executive Order, guidelines have often been unclear, and enforcement has been ineffective in some agencies. An effective oversight office is essential if strict ethical requirements are to be enforced throughout the government.

Because I believe these responsibilities are so important, I am asking that the Office be headed by a Director who is a Presidential appointee, confirmed by the Senate. I want to designate an individual who is clearly accountable to me, to the Chairman of the Civil Service Commission and to the Congress for the supervision of ethical standards in the Executive Branch. The Director and his new Office would:

- issue general guidelines to agencies on what constitutes a conflict of interest, and how those conflicts can be resolved;
- make recommendations to me on any changes needed in laws and regulations governing conflicts of interest;
- monitor compliance by agencies and individuals with established requirements; and
- increase understanding throughout the government and on the part of the American people of the ethical standards of conduct required of Executive Branch employees.

This new Office will ensure vigilant enforcement of the standards that are

established to protect the honesty and integrity of our government.

To complement the Ethics in Government Act, I am also announcing my support for legislation which would require appointment of a Special Prosecutor to investigate and prosecute alleged offenses by high government officials. I am not submitting my own bill, for legislation has already been introduced in the Congress which, with relatively small revisions, will conform to my own principles for sound Special Prosecutor legislation. Under those principles the Special Prosecutor would be appointed by a specially empaneled court. He or she could be removed from office only upon a finding of extraordinary impropriety or incapacity. The Special Prosecutor's jurisdiction would extend to alleged misconduct by the President, the Vice President, members of the Cabinet, and White House staff members.

This approach will eliminate all appearance of high-level interference in sensitive investigations and prosecutions. The American people must be assured that no one, regardless of position, is above the law.

I look forward to working with the Congress to enact both the Ethics in Government Act and Special Prosecutor legislation, so that we can help restore the faith of the American people in their government.

JIMMY CARTER

The White House,
May 3, 1977.

Anti-Foreign Boycott Bill

Statement on an Agreement Between Certain Jewish Organizations and the Business Roundtable. May 3, 1977

I am pleased to announce that an agreement has been reached by the Anti-

Defamation League, the American Jewish Committee, and the American Jewish Congress with the Business Roundtable on legislative language for the anti-foreign boycott bill presently being considered by the Senate, and that I can strongly recommend congressional approval of that language.

I would like to commend these organizations and their leaders for the skill and cooperation shown in the negotiations leading to today's agreement, which embodies concepts previously outlined in a joint statement of principles agreed to by the Anti-Defamation League and the Business Roundtable.

I would also like to commend the many members of Congress who have devoted so much time and effort toward achieving strong antiboycott legislation—Senators Proxmire and Stevenson and Congressmen Zablocki, Rosenthal, Hamilton, Bingham, Solarz, and Whalen. Without their efforts, I doubt that the Congress would have ever come close to passage of anti-foreign boycott legislation.

In my view, one of the most gratifying aspects of the agreement is its reasonable balance between the need for stringent controls over the undesirable impact on Americans of foreign boycotts and the need to allow continuation of American business relations with countries engaging in such boycotts.

The agreement supports legislative language which would impose the following restrictions:

- Prohibit all forms of religious or ethnic discrimination arising out of a foreign boycott;
- Prohibit U.S. firms from refusing to do business with a boycotted country as a condition of doing business in another country;
- Prohibit U.S. firms from acting as enforcers of a foreign boycott;

- Prohibit U.S. firms from responding to requests for boycott-related information;
- Prohibit the use of so-called negative certificates of origin within a year of enactment.

At the same time, the agreement supports limited exceptions which recognize that other countries, like the United States, may seek to impose their own laws within their own countries.

I urge the Senate, and the Congress, to adopt these agreed upon amendments to the anti-foreign boycott legislation. With adoption of the amendments, I believe passage of this legislation can occur very soon, and I look forward to signing the legislation.

American Society of Newspaper Editors

Remarks and a Question-and-Answer Session by Telephone With Members of the Society. May 3, 1977

THE PRESIDENT. First of all, let me say how delighted I am to have a chance to talk to all of the newspaper editors who are assembled in Honolulu. I would like very much to be there myself. As George has just pointed out, I missed the last annual meeting and hope that next year I can be with you.

I understand that I am supposed to give you a 3- or 4-minute summary of the first hundred days and then respond to questions.

ADMINISTRATION POLICIES

I would like to say that the basic thrust of my own administration in its early life has been to try to carry out the campaign commitments that I made for the last 2 years, without regard to the difficulty of

the questions that we face and regardless of how long they've been either deliberately ignored or avoided by officials in past administrations.

We've already completed work on a comprehensive national energy policy which has been very well received, I think, in the Congress, and particularly in foreign countries. And the American reaction has been favorable to a degree that surprised me. We've now got authority to reorganize the executive branch of Government, which is what we wanted. We've done a great deal of work on a comprehensive welfare reform package that will be presented to the Congress in the legislative form prior to their summer work period in August.

Within the next 2 weeks, I'll have a proposal to the Congress on illegal aliens, or undocumented workers. This has been a growing problem. We now have, perhaps, more than a million a year who enter our country from other nations illegally.

I've made proposals to the Soviet Union on nuclear weapons, advocating—and I will continue to advocate—substantial reductions in the level of armaments. We have taken a very controversial position that has aggravated some of our natural allies and trading partners on the control of proliferation of nuclear explosive capability. This relates almost directly to international energy supplies in the future, and this is one of the things that we will be discussing at the summit meeting beginning this weekend in London.

We are trying to get both supplier nations and consumer nations to hold down purchases of conventional arms, particularly the sales to the developing nations of the world.

I have issued a statement today announcing and endorsing, I believe, a resolution to the very controversial issue of the antiboycott legislation. We've empha-

sized to an adequate degree, I believe, our own Nation's commitment to human rights, which has been a disturbing factor in international councils.

I have removed all restraints on American citizens to travel abroad, reopened discussions with the Vietnamese, with the People's Republic of China, with Cuba. We tried to lead toward a normalization of relations with those countries, and also with 10 or 11 other nations with whom we don't now have diplomatic relations.

And of course, on the domestic scene, we've put forward a comprehensive economic stimulus package which, even after the withdrawal of the \$50 tax rebate, still comprises a heavy emphasis on jobs, job training, public works, and amounts to more than \$20 billion.

These are some of the items that we have discussed. I think the major criticism of my administration has been, perhaps, that it's been too open; that an apparent naïveté in dealing with foreign countries and with the Congress through the public debate and discussion has, perhaps, in some instances prevented the concealment of failure or, perhaps, in some instances contributed to dissension between ourselves and our friends and allies both in the Congress and overseas. But my own commitment is to try to address difficult questions, to do the best we can to resolve them, to make our proposals public, to have a maximum of exposure of what we are doing, so that debate both among American citizens and in the Congress and overseas can be conciliatory toward deriving the best examples or the best solutions or answers.

These are some of the things that I see as an analysis of the first 3 months or so. And I'd be glad now to answer any questions that you might have for a few minutes.

QUESTIONS

RELATIONS WITH CONGRESS

Q. Mr. President, this is John Quinn of the Gannett News Service.

THE PRESIDENT. Yes, John.

Q. In the first hundred days, some have seen a pattern of compromise rather than confrontation with Congress. After the experience with the tax rebate and the water projects and with that heavy agenda of issues ahead, can we expect to shift to a "no more Mr. Nice Guy" policy?

THE PRESIDENT. Well, contrary to what has been reported, the \$50 tax rebate was withdrawn simply because it is not needed. At the time we proposed it we had a completely different set of economic circumstances, and we hoped for the rebate to actually go out in the mail very early in May. As the time for the vote in the Senate grew near, the economic improvements had made it unwarranted and the delay, even if it had been warranted, would have been counterproductive.

On the water projects, I haven't given up on those. We have advocated, as you know, about a dozen and a half projects to be completely eliminated. We've drastically reduced the amount of money committed to about nine others, and we've approved some that we reassessed.

I think the subcommittee in the House took an action within the last few hours that is very mistaken, and I intend to pursue a curtailment of water projects until the last vote in the House or Senate.

I'm very determined to carry forward the proposals that I make to the Congress. I'm eager to get along with the Members of Congress but have no hesitancy about going public with my positions or fighting for projects, even though sometimes we may not win them all.

I believe the best thing to do is to put them on the table, to have an open debate, and when I see that there is a better solution, accommodate it. But I'm not naturally inclined to overcompromise, and I don't have any apology for what we have done so far.

I think we've still got our sleeves rolled up and gloves off, and I believe that we have a growing awareness of the problems of Congress. I think they are getting to know me. And I anticipate that we will have tough debates and sharp confrontations, but the product of this will be success.

ADMINISTRATION GOALS

Q. Mr. President, this is Tom Winship of the Boston Globe and Waikiki Beach. *[Laughter]* It's always a pleasure to visit with you over the telephone from the convention hall, and I do hope sometime we can get a live encounter.

I have a question: Now that the 100-day assessments are over with and behind us, what is your minimum list of accomplishments that would make you satisfied after your first 300 days?

THE PRESIDENT. Well, I would like to get the economic stimulus package passed. I'd like to get a new department of energy approved and established. I would like to get Congress to accept the essence, hopefully all, of the proposals we made on a comprehensive national energy policy. I'd like to have a common approach among the developed, industrialized nations of the world toward dealing with inflation and unemployment.

I'd like to have as much of a commitment as I can in our country to providing jobs for our people. I'd like to get anti-boycott legislation passed. I'd like for there to be a worldwide awareness and, hopefully, an increasing commitment to

the acceptance of human rights and the abolition of the deprivation of those rights. And I guess 300 days would probably include a productive Geneva meeting on the Middle East and, also, some easing of tension in the establishment of good relationships with countries which presently are not very close friends of ours.

I would guess, too, that within that length of time, I would work out with Mr. Brezhnev an acceptable, first major step toward the resolution of the SALT question and the framework for much more drastic reductions of nuclear weapons in the future.

The other point that comes to mind is that I think that within that time period, I will have presented to the Congress for their resolution, a comprehensive welfare proposal, some guarantee that the social security system will be firm, and the first steps toward reorganizing the executive branch of Government.

Tom, I look forward, too, to meeting with you personally. I met with the editors of the Boston Globe a couple of times during the early stages of the campaign, and I would hope that my next meeting with you might be more productive politically.

WORLD ENERGY SUPPLY

Q. Mr. President, this is Joe Parham of the Macon News.

THE PRESIDENT. Joe, how's it going?

Q. We're having a wonderful convention here in Hawaii—and one little problem—no grits on the menu in the morning. *[Laughter]*

I have a question, sir.

THE PRESIDENT. Fine.

Q. You scared the hell out of me the other night—*[inaudible]*—

THE PRESIDENT. Yes.

Q.—[inaudible]—individuals in other nations in the next 7 years and 8 months.

THE PRESIDENT. I don't believe that my Monday night speech on energy was an exaggeration at all, Joe. The key people who have studied the energy question for years, some of the experts within the Congress, world leaders in other nations, the industries involved themselves, and economists, all feel that unless we do something we are going to have devastating consequences to our own economy, to our balance of trade deficits and, ultimately, to an increasing vulnerability if foreign supplies are withdrawn for some reason.

We have set goals for 1985 that are achievable. And it is hard to imagine the concern that other nations in the world feel about the gross waste of energy that takes place in this country. I believe that we have worked out—and I might say this has been surprising—a means by which we can reach those goals with a minimum of sacrifice on the part of the American people, compared to what I thought it was going to be when we began this study.

Dr. Schlesinger has had a wide-ranging background, and he has worked on this full-time for the last 4 or 5 months. And I don't think that I exaggerated the consequences to our country if we are not able to adopt and implement the comprehensive energy proposals that we put forward, or solutions very close to those that we did advocate.

JAPAN AND CHINA

Q. Mr. President, as a Japanese, I wish to take this opportunity to thank you for your wise decision to appoint Senator Mansfield to Japan as the new American Ambassador. The Japanese are all very happy not only because we know he is a man of character and duty but also be-

cause we've found that you value Japan as a very important key country in capacity and—[inaudible]. At the same time, however, we feel a little disappointed that at the end of your 100 days, you will soon be in Europe while you have no plans—no definite plans to pay a visit to Asia, including Japan or China.

In view of the importance of U.S.-China relations as well as U.S.-Japan relations, we strongly feel that you had better visit Japan and China as soon as possible. How do you feel about that?

THE PRESIDENT. Well, that's very gracious of you to say that. As a matter of fact, the last foreign country that I visited was Japan. And I only intend to make one trip outside our country this year and that will be to the London Conference. And while there, I'll go to Geneva to meet with President Asad from Syria.

As you know, Prime Minister Fukuda has had a very good meeting with me here. So have, I think, 11 other leaders of foreign countries. And he will be with us in London.

I look upon our relationships with Japan as being crucial to peace on a continuing basis in the western part of the Pacific. And my own hope is that with careful prior consultation before we make a decision that affects the world economy, in which Japan plays such a large role, or any matter that relates to political or diplomatic or military affairs in the Western Pacific, that this can strengthen our ties with Japan.

I would like to see Japan play a much more aggressive role in both economics and politics. And one of the things that we think can be accomplished in the London meeting is to have a growing closeness between Japan and the European Community—which we presently have, both with Japan and the European Community nations.

So, if we can help to bridge that gap on a permanent basis and a very friendly basis, I'm sure it will be productive for us all. But I certainly would not neglect, ever, the growing importance of Japan. And as you well know, within 3 or 4 days of the time I was inaugurated, the Vice President, Vice President Mondale, left here and went on a tour of just a few nations, one of which, of course, was Japan.

So, I thank you for your interest in my visiting your great country. I hope I can get back there maybe within the next year or two.

SOVIET WEAPONS DEVELOPMENT

Q. Mr. President, this is Dave Broder from the Washington Post. The front page news here this morning was the report that the Soviet Union had made a breakthrough that could lead to development of a high-energy weapon against U.S. ballistic missiles. Is there any such development, and does it threaten the U.S. strategic deterrence?

THE PRESIDENT. We have no evidence, David, that the Soviets have achieved any major breakthrough in the kind of weapon described in the news today. We have conducted experiments along with the Soviets and others—they've been published in scientific journals—concerning laser beams, the use of charged particles, and so forth. But as far as their evolution into a major weapon capability, we believe that the Soviets are many years away from that possibility.

And I think that this is, first of all, a report that's based on some inaccuracies. Secondly, the assessment of the report in the aviation magazine has been exaggerated. So the answer, to summarize, is that we do not see any likelihood at all, based on our constant monitoring of the Soviet Union as best we can, that they have any prospective breakthrough in a new weap-

ons system that would endanger the security of our country.

Q. Aloha, Mr. President.

THE PRESIDENT. How are you doing? Did you ask a question?

Q. I said thank you, Mr. President.

THE PRESIDENT. Aloha to you. Thank you very much. I used to live in Hawaii. And tell Tom that I look forward to seeing him when he gets back. I think he was on the panel last year. And I have always enjoyed talking to him and the folks of the Boston Globe, and particularly the Macon Newspapers and the Washington Post, and also, of course, the Japanese news. And I look forward to seeing all of you when you get back to the mainland. And next year, I hope that I can be with you in person.

Thank you very much.

NOTE: The President spoke at 5:03 p.m. from the Oval Office at the White House to the convention, which was held in Honolulu, Hawaii.

Civil Service Commission

Nomination of Jule M. Sugarman To Be a Commissioner. May 4, 1977

The President today announced that he will nominate Jule M. Sugarman, of Atlanta, Ga., to be a Civil Service Commissioner. The President indicated that if confirmed by the Senate, Sugarman would be designated Vice Chairman of the Commission. Sugarman is currently assistant to the Chairman of the Civil Service Commission, a temporary position established to facilitate the transition to a new Commission.

He was born on September 23, 1927, in Cincinnati, Ohio. He received a B.A. from American University in 1950 and did graduate work there in municipal admin-

istration, organization, and management, and Federal budget administration.

From 1951 to 1957, Sugarman worked for the Civil Service Commission, first as a budget examiner, then as a program planner. From 1957 to 1959, he was a budget examiner for the Bureau of the Budget (now the Office of Management and Budget).

Sugarman served as a budget officer for the Bureau of Prisons, Department of Justice, from 1959 to 1962. From 1962 to 1965, he served with the Bureau of Inter-American Affairs at the State Department as a supervisory administrative officer, then Deputy Executive Director for Management Planning.

From 1965 to 1968, Sugarman worked for the Office of Economic Opportunity, as Deputy Associate Director for Program Policy Development, then as Project Manager for the Head Start program.

From 1968 to 1970, Sugarman was at the Department of Health, Education, and Welfare as Associate Chief of the Children's Bureau, then Director of the Office of Child Development and Chief of the Children's Bureau.

From 1970 to 1974, Sugarman was administrator of the Human Resources Administration in New York City. From 1974 to 1976, he was chief administrative officer for the city of Atlanta. During 1976 he served on the Carter-Mondale transition staff.

Civil Service Commission

Nomination of Ersu H. Poston To Be a Commissioner. May 4, 1977

The President today announced that he will nominate Ersu H. Poston, of Albany, N.Y., to be a Civil Service Commissioner. Ms. Poston is a member and former pres-

ident of the New York State Civil Service Commission.

She was born on May 3, 1921, in Paducah, Ky. She received a B.A. from Kentucky State University in 1942 and an M.S.W. from Atlanta School of Social Work in 1946.

In 1946 and 1947, Poston was community organization secretary for the Hartford (Conn.) Tuberculosis and Health Association. In 1947 and 1948, she was teenage program director for the West Side Branch of the YWCA in New York City, and in 1948 and 1949 she was young adult program director for the Clinton Community Center in New York. She was assistant director of the Center in 1949 and 1950, and director from 1950 to 1953.

From 1953 to 1955, Poston was field secretary for the New York City Welfare and Health Council. From 1955 to 1957, she served as assistant director of the New York City Youth Board in the office of the mayor of New York.

Poston was area director for the New York State Youth Commission from 1957 to 1962 and youth work program coordinator for the New York State Division for Youth from 1962 to 1964. In 1964 and 1965, she served as confidential assistant to then Gov. Nelson Rockefeller.

From 1965 to 1967, Poston was director of the New York State Office of Economic Opportunity. She was president of the New York State Civil Service Commission from 1967 to 1975, and has been a member of the Commission since then.

Poston was the first woman recipient of the National Urban League Equal Opportunity Day Award in 1976. She received the U.S. Civil Service Commission Citation of Official Commendation and Praise in 1976. She received the National Achievement Award of the National Association of Negro Business and Professional Clubs in 1967.

Deputy Special Representative for Trade Negotiations

Nomination of Alan W. Wolff. May 4, 1977

The President today announced that he will nominate Alan W. Wolff, of Washington, D.C., to be Deputy Special Representative for Trade Negotiations. Wolff is now Acting Deputy Special Representative for Trade Negotiations.

He was born on June 12, 1942, in Malden, Mass. He received an A.B. from Harvard in 1963 and an LL.B. from Columbia in 1966.

Wolff went to work for the Treasury Department in 1968, after practicing law in Boston and New York City. In the International Affairs section of Treasury's General Counsel's Office, he served as staff counsel to the Office of Trade Policy and the National Advisory Council for International Monetary and Financial Policies.

In 1972 Wolff participated in the drafting of the charter of the African Development Fund as head of the U.S. delegation. The following year he assumed responsibility for the Treasury Department's preparations for the multilateral trade negotiations.

Wolff joined the Special Trade Representative's Office as Deputy General Counsel in 1973 to manage the executive branch's drafting of the Trade Act. In 1974 he became General Counsel, participating actively in the administration's presentation of the Trade Act to the Congress.

In the period immediately following the passage of the Trade Act, Wolff served as head of the U.S. delegation to the Multilateral Trade Negotiations in Geneva. In the last few years, he has served as chief U.S. negotiator in bilateral trade talks involving steel and other key imported products, and was Acting Spe-

cial Trade Representative prior to the confirmation of Ambassador Robert S. Strauss this March.

Wolff is a member of the American Society of International Law and the American Bar Association. He has published articles on United States trade law and participated in drafting the American Society of International Law Panel Report on Long Term International Monetary Reform.

Asian Development Bank

*Nomination of Lester E. Edmond To Be
United States Director. May 4, 1977*

The President today announced that he will nominate Lester E. Edmond, of Miami, Fla., to be United States Director of the Asian Development Bank. Edmond is a Foreign Service officer and served as Deputy Assistant Secretary of State for East Asian and Pacific Affairs from 1974 to January 1977.

He was born on April 28, 1922, in New York City. He received a B.B.A. from the College of the City of New York in 1943, an M.P.A. from the Littauer School of Public Administration in 1948, and an M.A. (1949) and Ph. D. (1950) in economics from the Harvard Graduate School of Arts and Sciences.

From 1950 to 1953, Edmond was an international economist in the Bureau of Economic Affairs, in Washington, and from 1953 to 1956 he was an international economist with the Office of Philipines and Southeast Asia Affairs.

From 1956 to 1961, Edmond was economic officer in the U.S. Embassy in Tokyo. He served as counselor of economic affairs in Helsinki from 1961 to 1964, and as executive assistant to the Director of the U.S. Information Agency

in 1964 and 1965. He attended the National War College in 1965-66.

Edmond was counselor of mission at the U.S. Mission to the Organization for Economic Cooperation and Development in Paris from 1966 to 1970. He served as minister counselor for economic and commercial affairs in the U.S. Embassy in Tokyo from 1970 until 1974, when he became Deputy Assistant Secretary of State for East Asian and Pacific Affairs.

Edmond received a Presidential Citation for Outstanding Contribution to Improvement in Government Operations in 1964. He has had several articles published and is a frequent public speaker before business and academic audiences.

Inter-American Development Bank

Nomination of Ralph A. Dungan To Be United States Executive Director and E. Jay Finkel To Be Alternate U.S. Executive Director.
May 4, 1977

The President today announced that he will nominate Ralph A. Dungan and E. Jay Finkel to be United States Executive Director and Alternate U.S. Executive Director, respectively, of the Inter-American Development Bank.

Dungan, of Princeton, N.J., is chancellor of higher education for the State of New Jersey.

He was born on April 22, 1923, in Philadelphia, Pa. He received a B.S. from St. Joseph's College in 1950 and an M.P.A. from Princeton University in 1952. He served in the U.S. Navy from 1942 to 1945.

From 1952 to 1957, Dungan worked in the U.S. Bureau of the Budget as assistant to the Director and an analyst in the

legislative reference and international divisions. In 1957 and 1958, he was legislative assistant to then Senator John F. Kennedy.

From 1958 to 1961, Dungan was on the staff of the Senate Committee on Labor and Public Welfare. From 1961 to 1963, he served as Special Assistant to President John F. Kennedy.

In 1963 and 1964, Dungan was Special Assistant to President Lyndon B. Johnson. He served as U.S. Ambassador to Chile from 1964 until 1967, when he became New Jersey chancellor of higher education.

Dungan is a member of the Council on Foreign Relations and the Public Service Advisory Board of the American Federation of State, County and Municipal Employees.

Finkel, of Washington, D.C., is assistant executive secretary of the World Bank/International Monetary Fund Development Committee.

He was born on June 21, 1931, in Philadelphia, Pa. He received a B.A. from Swarthmore College and M.A. and J.D. degrees from George Washington University.

Finkel worked in the Treasury Department in positions dealing with international financial affairs from 1952 to 1974, except between 1955 and 1958 when he was in active military service.

From 1952 to 1958, Finkel was an economist in the British Commonwealth and Middle East Division at Treasury. From 1958 to 1962, he was assistant to the senior financial adviser in the Office of International Finance, and from 1962 to 1963 he was executive secretary in the Office of International Affairs.

From 1963 to 1967, Finkel was Deputy Director of the Office of International Financial Policy Coordination and Opera-

tion at Treasury, and from 1967 to 1970 he was Director of the Office of Latin America there. He was Director of the Multilateral Institutions Program Office from 1970 to 1974, and Director of Developing Nations Finance in 1974 and 1975.

Finkel left Treasury in 1975 to become assistant executive secretary of the World Bank/IMF Development Committee, a joint ministerial-level committee of the World Bank and IMF dealing with the transfer of real resources to developing countries. He served as representative to the Conference on International Economic Cooperation in Paris in 1976, and to the African and Asian Development Bank annual meetings in 1975-76.

(b) By deleting "(11) Special Prosecutor, Department of Justice." and "(14) Executive Vice President, Export-Import Bank."

(c) By revising subsection (15) to read "(15) Director, Office of Congressional and Public Affairs, Department of Agriculture."

SEC. 2. Executive Order No. 11872 of July 21, 1975, which placed the position of Executive Vice President, Export-Import Bank, in level IV of the Executive Schedule, is hereby revoked.

JIMMY CARTER

The White House,
May 4, 1977.

[Filed with the Office of the Federal Register,
5:13 p.m., May 4, 1977]

NOTE: The Executive order was not issued in the form of a White House press release.

Executive Schedule

Executive Order 11983. May 4, 1977

RELATING TO CERTAIN POSITIONS IN LEVELS IV AND V OF THE EXECUTIVE SCHEDULE

By virtue of the authority vested in me by Section 5317 of Title 5 of the United States Code, and as President of the United States of America, it is hereby ordered as follows:

SECTION 1. Section 1 of Executive Order No. 11861, as amended, placing certain positions in Level IV of the Executive Schedule, is further amended as follows:

(a) By deleting "Administrator, Social and Rehabilitation Service, Department of Health, Education, and Welfare." in subsection (1) and inserting in lieu thereof "Administrator, Health Care Financing Administration, Department of Health, Education, and Welfare."

American Sugar Industry

Announcement of Decisions Concerning Sugar Imports and Income Supports for the Industry. May 4, 1977

President Carter today announced a series of actions aimed at maintaining a viable domestic sugar industry. The President believes that in the long run, implementation of a workable International Sugar Agreement (ISA) provides the best means for achieving this end. In the interim the President has instructed the Secretary of Agriculture to institute an income support program for producers offering supplemental payments whenever the market price falls beneath 13.5 cents a pound.

At the same time, the President determined that import relief, in the form of import quotas recently recommended on March 17 by the U.S. International

Trade Commission (USITC), would not be in the overall national economic interest, including that of both consumers and producers.

These actions were announced today by Ambassador Robert S. Strauss, the President's Special Representative for Trade Negotiations.

In the past year sugar prices have fallen sharply to a point less than the costs of production for many U.S. growers. Therefore, the President has instructed the Secretary of Agriculture to institute an income support program which would provide supplemental compensation to growers of up to 2 cents a pound for sales at market prices below 13.5 cents per pound. 13.5 cents is the estimated average break-even price for domestic sugar growers. This would be an interim measure, pending the negotiations and implementation of a new ISA and would not raise costs to consumers.

The President noted that the United States is actively participating in negotiations now underway in Geneva for an ISA, which if successful would provide long-term assurance of greater stability in world prices and supplies. Successful implementation of an ISA would make further consideration of unilateral measures by the United States unnecessary.

The President's decision is based on an interagency review of a report by the USITC, which found that imports were a substantial cause of a threat of serious injury to the domestic industry and recommended a 5-year import quota of 4.275 million short tons, raw value, for sugar imports, to be allocated among supplying countries.

The interagency review considered the USITC report on the basis of overall national economic interest criteria spelled out in the Trade Act of 1974.

The President determined that a remedy involving import restraints, achieved either through import quotas or tariff increases, would not be a desirable course of action. It would raise prices to consumers without the promise of offsetting price stabilization benefits. Import relief would also adversely affect the export earnings of a number of developing countries which depend on sugar exports for their economic growth and prosperity. The United States strongly believes that the economic development of these countries is in the mutual interest of themselves and the United States.

The President also directed the Special Trade Representative to continue to follow the sugar import situation closely and to advise him in consultation with the Secretary of Agriculture of any need for consideration of further actions.

In connection with his decision on the USITC report, the President also concurred with the determination of the Interagency Trade Policy Staff Committee (TPSC) that sugar will continue to receive duty-free treatment from eligible developing countries under the Generalized System of Preferences (GSP). A petition submitted to STR by the American Farm Bureau Federation, requesting that sugar be withdrawn from the list of GSP-eligible products, was therefore denied.

The TPSC found that imports of sugar under GSP account for a relatively small percentage (17 percent) of total sugar imports, and more importantly do not significantly affect the U.S. price level. Removal of sugar from GSP would also be contrary to the U.S. policy of encouraging mutually beneficial development of the economies of less-developed nations. Major developing country suppliers of sugar exports to the United States have not been, and will not be, eligible for GSP

under the provisions of the program which limit its benefits.

American Sugar Industry

Memorandum for the Special Representative for Trade Negotiations. May 4, 1977

Memorandum for the Special Representative for Trade Negotiations

Subject: Decision on Sugar Under Section 202(b) of the Trade Act of 1974

Pursuant to Section 202(b) of the Trade Act of 1974 19 U.S.C. 1330, 88 Stat. 2014, I have determined the action that I will take with respect to the report of the U.S. International Trade Commission on the results of its investigation regarding sugar, dated March 17, 1977. This investigation was undertaken at the request of the Senate Finance Committee.

I have determined that import relief for sugar is not in the national economic interest. Import relief, achieved either through quotas or tariff increases, would have an inflationary impact on the economy, raising prices to consumers without the promise of offsetting price stabilization benefits. Import relief would be of questionable benefit to the domestic sugar industry, because it would encourage increased market penetration by substitute sweeteners, particularly high-fructose corn syrup which can be produced at a lower cost than most U.S. sugar. Finally, import relief would adversely affect the export earnings of a large number of developing countries which depend on sugar exports for their economic growth and prosperity.

I firmly believe that it is important to maintain a viable domestic sugar industry in this country. I have therefore requested the Secretary of Agriculture to institute an income support program for sugar pro-

ducers, effective with the 1977 crop, offering supplemental payments of up to 2 cents per pound, whenever the market price falls beneath 13.5 cents a pound. Such a program will help cover the costs of production of U.S. sugar producers, pending the negotiation of an International Sugar Agreement (ISA).

The United States has made a strong commitment to the negotiation of an ISA, which, if successful, will provide some long-term assurance of greater stability of world sugar prices and supplies. The successful negotiation and implementation of an ISA would render unnecessary further consideration of unilateral measures by the United States.

Finally, I am asking you to continue to follow the sugar import situation closely and, in consultation with the Secretary of Agriculture, to advise me with respect to any need for consideration of further actions.

I have also concurred with the determination by the Trade Policy Staff Committee that sugar will remain eligible for duty-free treatment under the Generalized System of Preferences (GSP).

This determination shall be published in the FEDERAL REGISTER.

JIMMY CARTER

NOTE: The text of the memorandum was released on May 5.

American Sugar Industry

Letter to the Secretary of Agriculture. May 4, 1977

To Secretary Bob Bergland

On March 17, 1977, the United States International Trade Commission (USITC) reported to me the results of its investigation, conducted under Section 201 of the Trade Act of 1974, in which

the Commission determined that increased imports of sugar are a substantial cause of the threat of serious injury to the domestic sugar industry. The USITC recommended the imposition of an annual quota of 4.275 million short tons, raw value, for a five-year period beginning with calendar year 1977, to be allocated among supplying countries in an equitable manner.

I have determined today that import relief is not in the national economic interest. However, I believe that a strong and viable domestic sugar industry is vital to the economic well-being of the American people, and that this can best be achieved by the negotiation and implementation of an International Sugar Agreement. As you know, I have instructed our negotiators to enter into negotiations regarding such an agreement and discussions are now underway in Geneva.

In the interim, pending completion of these negotiations, I have decided that the implementation of domestic measures are necessary to help U.S. producers and processors through the present period of low prices. Accordingly, I hereby request that you institute, pursuant to Section 301 of the Agricultural Adjustment Act of 1949, a program for sugar producers, effective with the 1977 crop, offering supplemental payments of up to two cents a pound, whenever the market price falls beneath 13.5 cents per pound, for the interim period, until an International Sugar Agreement is successfully negotiated and implemented.

Sincerely,

JIMMY CARTER

[The Honorable Bob S. Bergland, Secretary of Agriculture, Washington, D.C. 20250]

NOTE: The text of the letter was released on May 5.

American Sugar Industry

Letter to the Speaker of the House and the President of the Senate Transmitting a Report. May 4, 1977

Dear Mr. Speaker: (Dear Mr. President:)

In accordance with Section 203(b) (2) of the Trade Act of 1974, enclosed is a report to the Congress setting forth my determination that import relief for the U.S. sugar industry is not in the national economic interest, together with the reasons for that determination.

Sincerely,

JIMMY CARTER

IMPORT RELIEF ACTION

SUGAR

In accordance with Section 203(b) (2) of the Trade Act of 1974, I am transmitting this report to the Congress setting forth the actions I will take with respect to sugar imports covered by the affirmative finding on March 17, 1977, of the United States International Trade Commission (USITC) under Section 202(d) (1) of the Trade Act of 1974.

I have determined that import relief for the sugar industry is not in the national economic interest. Import relief, achieved either through quotas or tariff increases, would have an inflationary impact on the economy, raising prices to consumers without the promise of offsetting price stabilization benefits. It would be of questionable benefit to the domestic sugar industry, because it would encourage increased market penetration by substitute sweeteners, particularly high-fructose corn syrup, which can be produced at a lower cost than most U.S. sugar.

In addition, the U.S. has entered into negotiations for an International Sugar

Agreement (ISA) which, if successful, would provide some long-term assurance of greater stability in world prices. Imposition of import relief now would likely jeopardize the success of these negotiations. Finally, imposition of import relief would adversely affect the export earnings of a number of developing countries which depend on sugar exports for their economic growth and prosperity.

However, in recognition of the problems facing much of the U.S. sugar industry due to low sugar prices, I am requesting the Secretary of Agriculture to institute an income support program, for sugar producers, effective with the 1977 crop, offering supplemental payments of up to two cents a pound whenever the market price falls beneath 13.5 cents per pound. Such a program will help cover the costs of production of many U.S. sugar producers, pending the successful negotiation and implementation of an ISA. The United States has made a strong commitment to the negotiation of an ISA which, if successful, will provide some long-term assurance of greater stability of world sugar prices and supplies. The successful implementation of an ISA would also make further consideration of unilateral measures unnecessary.

Finally, I have asked the Special Trade Representative to continue to follow closely the sugar import situation and in consultation with the Secretary of Agriculture, to advise me with respect to any need for consideration of further action.

NOTE: This is the text of identical letters addressed to the Honorable Thomas P. O'Neill, Jr., Speaker of the House of Representatives, and the Honorable Walter F. Mondale, President of the Senate.

Intelligence Oversight Board

Statement on the Appointment of the New Members of the Board. May 5, 1977

I am announcing the appointment of Mr. Thomas L. Farmer, of Washington, D.C., and Gov. William Scranton and Senator Albert Gore as the new members of the important Intelligence Oversight Board. Mr. Farmer will serve as Chairman.

This board reports directly and exclusively to me. It is empowered to receive information directly from individual members of the intelligence community and receives periodic required reports from the Inspectors General and General Counsels of the community.

In announcing this appointment, I want to take this occasion to thank Ambassador Robert Murphy, Mr. Leo Cherne, and Mr. Steve Ailes for distinguished service as members of the first Intelligence Oversight Board. They have rendered very important service to the Nation.

At the same time I am abolishing the President's Foreign Intelligence Advisory Board, which had previously been monitoring the quality of intelligence. The National Security Council system and the intelligence community themselves, as structured in this administration, plus the creation of the new Senate Committee on Intelligence, as well as the contemplated House committee, can now effectively review and assess foreign intelligence activities.

Farmer is a partner in the law firm of Prather, Seeger, Doolittle, Farmer, and

Ewing in Washington. He is a founding member, director, and general counsel of the Overseas Development Council. He is also a member of the International Committee of the National Chamber of Commerce of the United States and chairman of its Task Force on Foreign Investment in the United States; a member of the Monetary Policy Group and the Economic Policy Group of the Atlantic Council; and a member of the Council on Foreign Relations.

From 1964 to 1967, Farmer was General Counsel of the Agency for International Development and Special Counsel to President Johnson's Special Representative for South East Asian Economic Development. From 1954 to 1964, he was an associate in the law firm of Simpson, Thacher & Bartlett. From 1951 to 1954, he was an intelligence officer for the Central Intelligence Agency. He worked on John F. Kennedy's Presidential campaign in 1959 and 1960.

Albert Gore is chairman of the Island Creek Coal Co., a director of the Occidental Petroleum Co., and was U.S. Senator from Tennessee from 1953 to 1970.

William Scranton is a former Governor of Pennsylvania and U.S. Ambassador to the United Nations.

President's Foreign Intelligence Advisory Board

Executive Order 11984. May 4, 1977

ABOLISHING THE PRESIDENT'S FOREIGN INTELLIGENCE ADVISORY BOARD

By virtue of the authority vested in me by the Constitution and statutes of the United States of America, and as Presi-

dent of the United States of America, in order to abolish the President's Foreign Intelligence Advisory Board, Executive Order No. 11460 of March 20, 1969, is hereby revoked.

JIMMY CARTER

The White House,
May 4, 1977.

[Filed with the Office of the Federal Register,
11:30 a.m., May 5, 1977]

NOTE: The text of the Executive order was released on May 5.

National Nursing Home Week

Message of the President. May 5, 1977

I welcome the opportunity to salute the dedicated individuals who serve institutionalized older Americans and make their golden years as pleasant and as dignified as possible.

It is a priority task of my Administration to ensure that the contributions of our aging citizens are fully recognized. We must make certain that the great benefits our nation has derived from these contributions are acknowledged in full measure by the quality of our concern for those who made them.

As our knowledge increases and as we become more fully aware of the needs of the elderly, I know that those who minister to them will respond with sensitivity and compassion to the challenges of their important mission.

JIMMY CARTER

NOTE: National Nursing Home Week will be observed May 8-15, 1977.

The text of the message was made available by the White House Press Office. It was not issued in the form of a White House press release.

Department of Justice

Nomination of John M. Harmon To Be an Assistant Attorney General. May 5, 1977

The President today announced that he will nominate John M. Harmon, of North Carolina, to be an Assistant Attorney General.

Since January 1977, Mr. Harmon has been Deputy Assistant Attorney General, working in the Office of Legal Counsel in the Department of Justice.

A native of Statesville, N.C., Mr. Harmon attended the University of North Carolina from 1962 to 1966, receiving his B.A. degree. He obtained his J.D. degree from Duke University.

Mr. Harmon, who was born July 16, 1944, was a law clerk in the office of Judge Griffin Bell in the U.S. Court of Appeals for the Fifth Circuit.

From 1970 to 1972, he was a law clerk for Chief Justice Warren E. Burger and Justice Hugo L. Black, United States Supreme Court.

From 1972 to 1976, he practiced law with the firm of Coudert Freres in Paris, France.

Department of Justice

Nomination of James W. Moorman To Be an Assistant Attorney General. May 5, 1977

The President today announced that he will nominate James W. Moorman, of California, to be an Assistant Attorney General.

Since 1974 Mr. Moorman has been staff attorney for the Sierra Club Legal Defense Fund, Inc., in San Francisco.

Born November 22, 1937, in Pittsburgh, Pa., Mr. Moorman received his

A.B. and LL.B. degrees from Duke University.

From 1963 to 1966, Mr. Moorman was with the law firm of Davis, Polk & Wardell in New York City. From 1966 to 1969, he was a trial attorney with the Department of Justice in the Land and Natural Resources Division. He was a staff attorney with the Center for Law and Social Policy from 1969 to 1971. From 1971 to 1974, he was executive director and later staff attorney for the Sierra Club Legal Defense Fund, Inc.

Department of the Treasury

Nomination of Stuart Evan Seigel To Be an Assistant General Counsel. May 5, 1977

The President announced today that he will nominate Stuart Evan Seigel, of Washington, D.C., to be an Assistant General Counsel in the Treasury Department, acting as Chief Counsel for the Internal Revenue Service.

Mr. Seigel, a native of New York City, is a partner in the law firm of Cohen and Uretz.

Born March 25, 1933, Mr. Seigel received his B.S. from New York University, where he obtained his Bachelor of Laws degree in 1957. He received a Master of Laws in taxation from Georgetown University in 1960.

Mr. Seigel's professional experience includes service in the Office of Tax Legislative Counsel in the Treasury Department from 1965-69 and the Office of the Chief Counsel for the Internal Revenue Service from 1957 to 1965.

He was an adjunct professor of law at the Antioch School of Law in 1973 and was a professorial lecturer at the George

Washington University School of Law, 1970-73.

Agency for International Development

Nomination of John H. Sullivan To Be an Assistant Administrator. May 5, 1977

The President announced today that he will nominate John H. Sullivan, of Virginia, to be Assistant Administrator of the Agency for International Development (Bureau of Asia).

Mr. Sullivan has been a professional staff member of the House Committee on International Relations (formerly Foreign Affairs Committee) since 1969 and in 1975 was named senior staff consultant.

Born May 25, 1935, in Toledo, Ohio, Mr. Sullivan obtained a B.A. and M.A. in journalism from Marquette University. He received a Ph. D. in international relations from the American University in 1968.

He is a former reporter for the Springfield, Ohio, Sun and Milwaukee Sentinel.

Agency for International Development

Nomination of Sander Martin Levin To Be an Assistant Administrator. May 5, 1977

The President announced today that he will nominate Sander Martin Levin, of Michigan, to be an Assistant Administrator of the Agency for International Development (Bureau for Population).

Born September 6, 1931, in Detroit, Mr. Levin is counsel with Beer and Boltz in Bloomfield Hills, Mich.

Mr. Levin received his B.A. from the University of Chicago, where he was president of the student government. He received an M.A. degree in international relations from Columbia University in 1954 and an LL.B. from Harvard University in 1957.

Department of State

Nomination of George S. Vest To Be an Assistant Secretary. May 5, 1977

The President announced today that he will nominate George S. Vest, of Maryland, a Foreign Service officer of the Class of Career Minister, to be Assistant Secretary of State for European Affairs.

Mr. Vest, from 1974 to 1977, served as Director of the Bureau of Politico-Military Affairs in the Department of State.

The President today withdrew the nomination of Mr. Vest as Ambassador Extraordinary and Plenipotentiary of the United States to Pakistan, to which post he was nominated on April 7, 1977.

Department of the Interior

Nomination of Robert H. Mendelsohn To Be an Assistant Secretary. May 5, 1977

The President today announced that he will nominate Robert H. Mendelsohn, of California, to be an Assistant Secretary of the Interior (Management, Program Development and Budget). Mr. Mendelsohn is a member of the board of supervisors of San Francisco and is a real estate consultant.

Born January 11, 1938, Mr. Mendelsohn is a graduate of the University of California at Berkeley, where he received

his B.A. degree cum laude in political science.

Besides his service on the San Francisco board of supervisors, Mr. Mendelsohn has served on the California Coastal Zone Conservation Commission, the Bay Conservation and Development Commission, and was an administrative assistant to California State Senator J. Eugene McAteer.

Digest of Other White House Announcements

The following listing includes the President's daily schedule and other items of general interest as announced by the White House Press Office during the period covered by this issue. Events and announcements printed elsewhere in the issue are not included.

April 30

The President met at the White House with:

- Zbigniew Brzezinski, Assistant to the President for National Security Affairs;
- Vice President Walter F. Mondale, Secretary of Agriculture Bob Bergland, Secretary of Health, Education, and Welfare Joseph A. Califano, Jr., Secretary of Labor F. Ray Marshall, Charles L. Schultze, Chairman of the Council of Economic Advisers, and other administration officials, to discuss welfare reform.

The President has declared an emergency for the State of Oregon because of the impact of a drought.

The President has declared a major disaster for the State of Tennessee as a

result of severe storms and flooding beginning about April 4, which caused extensive public and private property damage.

May 2

The President met at the White House with:

- Dr. Brzezinski;
- Frank B. Moore, Assistant to the President for Congressional Liaison;
- Vice President Mondale, Secretary of the Treasury W. Michael Blumenthal, Dr. Schultze, Bert Lance, Director, and James T. McIntyre, Jr., Deputy Director of the Office of Management and Budget, in a budget briefing.
- members of the Cabinet, the Congress, the White House staff, and other administration officials, to discuss the budget;
- Vice President Mondale.

The President greeted participants in the "Summer on the White House Lawn" picnic.

The President declared a major disaster for the State of Louisiana as a result of severe storms and flooding beginning about April 20, which caused extensive public and private property damage.

The President has designated the following as members of the Overseas Private Investment Corporation:

- C. FRED BERGSTEN, Assistant Secretary of the Treasury for International Affairs;
- FRANK A. WEIL, Assistant Secretary of Commerce for Domestic and International Business; and
- JULIUS L. KATZ, Assistant Secretary of State for Economic and Business Affairs.

The President greeted Philip H. Alston, Jr., at his swearing in as U.S. Ambassador to Australia in the Roosevelt Room.

Administration of Jimmy Carter, 1977

May 3

The President met at the White House with:

- Dr. Brzezinski;
- the Democratic congressional leadership;
- Brock Adams, Secretary of Transportation, Douglas M. Costle, Administrator of the Environmental Protection Agency, and Charles H. Warren, Chairman of the Council on Environmental Quality;
- representatives of CBS, Inc., who presented him with the CBS record album of the 1977 Inaugural Concert;
- Vice President Mondale, Dr. Brzezinski, and Adm. Stansfield Turner, Director of Central Intelligence;
- Mrs. Carter, Robert Strauss, Special Representative for Trade Negotiations, Terrence A. Todman, Assistant Secretary of State for Inter-American Affairs, Dr. Brzezinski, and the Ambassadors from the following sugar-producing countries: Costa Rica, Brazil, the Dominican Republic, Peru, Trinidad and Tobago.

The White House announced that William H. Cable, of Rockford, Ill., has been named Deputy Assistant for Congressional Liaison.

The President has designated the Chief Delegate, Delegates, and Alternate Delegates from the United States to the Thirtieth World Health Assembly, being held in Geneva, Switzerland, from May 2 to May 20. They are:

Chief Delegate

S. PAUL EHRLICH, JR., M.D., Director, Office of International Health, Department of Health, Education, and Welfare;

Delegates

LEE M. HOWARD, M.D. (Alternate Chief Delegate), Director, Office of Health, Agency for International Development; and

WILLIAM H. FOEGE, M.D., Assistant Director for Operations, Communicable Disease Center, Department of Health, Education, and Welfare;

Alternate Delegates

ROBERT F. ANDREW, Director, Directorate for Health and Drug Control, Bureau of International Organization Affairs, Department of State;

GEORGE I. LYTHCOTT, M.D., associate vice chancellor for the health sciences, Center for Health Sciences, University of Wisconsin; and

ROGER A. SORENSON, American chargé d'affaires ad interim, U.S. Mission to the European Office of the United Nations, Geneva.

May 4

The President met at the White House with:

- Dr. Brzezinski;
- Representative Thomas L. Ashley, chairman, and members of the House Select Committee on Energy;
- Secretary Califano, Secretary Marshall, W. Michael Blumenthal, Secretary of the Treasury, Juanita M. Kreps, Secretary of Commerce, Mr. Lance, and Stuart E. Eizenstat, Assistant to the President for Domestic Affairs and Policy;
- Mr. Lance.

The President has designated Lee R. West as Acting Chairman of the Civil Aeronautics Board, effective May 1, 1977.

May 5

The President declared an emergency for the State of Idaho because of the impact of a drought.

In the morning, the President left the White House for a trip to Newcastle and London, England, and Geneva, Switzerland.

NOMINATIONS SUBMITTED TO THE SENATE

The following list does not include promotions of members of the Uniformed Services,

Administration of Jimmy Carter, 1977

NOMINATIONS—Continued

nominations to the Service Academies, or nominations of Foreign Service officers.

Submitted May 2, 1977

FRANCIS J. BOYLE, of Rhode Island, to be United States District Judge for the District of Rhode Island, vice Edward William Day, retired.

Submitted May 3, 1977

L. DOUGLAS HECK, of Oregon, a Foreign Service officer of Class one, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Kingdom of Nepal.

ROZANNE L. RIDGWAY, of the District of Columbia, a Foreign Service officer of Class two, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Finland.

Submitted May 4, 1977

LESTER E. EDMOND, of Florida, to be United States Director of the Asian Development Bank, with the rank of Ambassador, vice Lessel Roy Papp, resigning.

RALPH ANTHONY DUNGAN, of New Jersey, to be Executive Director of the Inter-American Development Bank for a term of 3 years, vice John M. Porges, resigned.

EUGENE JAY FINKEL, of the District of Columbia, to be Alternate Executive Director of the Inter-American Development Bank, vice Yan Michael Ross, resigned.

ALAN WILLIAM WOLFF, of the District of Columbia, to be a Deputy Special Representative for Trade Negotiations, with the rank of Ambassador, vice Clayton Yeutter, resigned.

Submitted May 5, 1977

GEORGE S. VEST, of Maryland, a Foreign Service officer of the Class of Career Minister, to be an Assistant Secretary of State.

SANDER MARTIN LEVIN, of Michigan, to be an Assistant Administrator of the Agency for International Development, vice Fred O. Pinkham.

JOHN H. SULLIVAN, of Virginia, to be an Assistant Administrator of the Agency for International Development, vice Arthur Z. Gardiner, Jr., resigned.

STUART EVAN SEIGEL, of the District of Columbia, to be an Assistant General Counsel in the Department of the Treasury (Chief Counsel for the Internal Revenue Service), vice Meade Whitaker, resigned.

NOMINATIONS—Continued

Submitted May 5—Continued

JOHN M. HARMON, of North Carolina, to be an Assistant Attorney General, vice Antonin G. Scalia, resigned.

JAMES W. MOORMAN, of California, to be an Assistant Attorney General, vice Peter R. Taft, resigning.

ROBERT H. MENDELSON, of California, to be an Assistant Secretary of the Interior, vice Ronald G. Coleman, resigned.

JULE M. SUGARMAN, of Georgia, to be a Civil Service Commissioner for the remainder of the term expiring March 1, 1981, vice L. J. Andolsek.

ERSA H. POSTON, of New York, to be a Civil Service Commissioner for the term of 6 years expiring March 1, 1983, vice Georgiana H. Sheldon, term expired.

Withdrawn May 5, 1977

GEORGE S. VEST, of Maryland, a Foreign Service officer of the Class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Pakistan, which was sent to the Senate on April 7, 1977.

**CHECKLIST OF WHITE HOUSE
PRESS RELEASES**

The following releases of the Office of the White House Press Secretary, distributed during the period covered by this issue, are not included in the issue.

Released May 2, 1977

Biographical data: Francis J. Boyle, the President's nominee to be United States District Judge for the District of Rhode Island
Statement by the President: on welfare reform (as read at the news briefing for reporters in Room 450, Old Executive Office Building, together with copies of charts referred to by the President)

Released May 3, 1977

Fact sheet: the President's message to the Congress proposing enactment of the Ethics in Government Act of 1977
Proposed legislation: the Ethics in Government Act of 1977

Released May 4, 1977

News conference: on the President's decisions on the American sugar industry—by Robert S. Strauss, Special Representative for Trade Negotiations, and Bob S. Bergland, Secretary of Agriculture

Administration of Jimmy Carter, 1977

**ACTS APPROVED BY
THE PRESIDENT**

Approved April 30, 1977

H.R. 3843----- Public Law 95-24
Supplemental Housing Authorization Act of
1977.

S. 489----- Public Law 95-23
An act to authorize supplemental military
assistance to Portugal for the fiscal year 1977,
and for other purposes.

Approved May 4, 1977

H.R. 4877----- Public Law 95-26
Supplemental Appropriations Act, 1977.

**ACTS APPROVED—Continued
Approved May 4, 1977—Continued**

S. 385----- Public Law 95-25
An act to name a certain Federal building
in Grand Rapids, Michigan, the "Gerald R.
Ford Building".

S.J. Res. 44----- Public Law 95-27
A joint resolution to authorize the printing
and binding of an edition of Senate Pro-
cedure and providing the same shall be sub-
ject to copyright by the author.

PRESIDENTIAL DOCUMENTS

Week Ending Friday, May 13, 1977

The President's Trip to London, Newcastle, and Geneva

Remarks on Departure From the White House. May 5, 1977

I was planning to say that when Cy Vance and I go to Europe, along with other distinguished representatives of our Government, to work with our friends and allies there, and leave the Vice President and others here, that I would feel much better about Europe for the next 5 days than I will the United States. [Laughter] But since he made such a beautiful speech, I will have to drop my frivolous remarks and say that I don't believe that there has ever been a President and Vice President who have been bound together more closely with a common philosophical commitment, with a common belief and confidence in the quality of the American people, and a sharing of every possible problem and its potential solution. And I'm very grateful for the continuing support and advice that I get from the Vice President, who is in almost every way an equal partner with me.

This is an important trip. It's the only trip that I have planned this entire year outside of our country. We have a great undertaking to bind ourselves closer together with our friends and allies in Japan

and Canada and in Europe, as we face common tasks and common challenges.

The economic discussions will be designed to put the people of the world back to work, to discourage a rampant robbing of people by inflation, to share the proper and fair use of raw materials and other supplies that come from the less-developed countries, and to share with those less-fortunate nations the bounties that God has given the world.

We will have long discussions about close political interrelationships, consultations with our closest allies and friends. We'll be dealing with problems that concern NATO, the defense of Europe, the relationships between the East and the West, among close friends and potential adversaries whom we hope to be our close friends in the future.

I'll be having bilateral private consultations with more than a dozen leaders of foreign countries. I feel well briefed and well prepared. And my own hope is that I can well and truly represent what the American people would like to see their President do in discussing world problems with other world leaders.

We will be pursuing our long-range goals for world peace, for nuclear disarmament, for holding down the sale of conventional weapons, for preventing the spread of the capability for nuclear ex-

plosives among nations that don't share it, for a discussion about the proper uses of energy and the sharing of world trade with others, for loans and direct aid to the less-developed countries, and the establishment of basic mechanisms by which these discussions can continue, not just at the summit level on special occasions but on a continual day-by-day interrelationship.

All these things are our hopes for this meeting at the summit with six other nations, on discussions of Berlin with three other nations, our discussions with our NATO allies, and a special meeting that I shall have with President Asad from Syria in Geneva.

I feel good about the prospects for success, and I believe that I will come back after this 5-day trip with a major step having been made forward in dealing with the world's problems with the other leaders of our closest friends.

I want to thank the ones who have come out this afternoon—this morning to see me off. I will try to do a good job for you. And I think when I come back, we will have had a successful trip.

Thank you very much.

NOTE: The President spoke at 9:35 a.m. on the South Grounds of the White House.

London, England

Remarks on Arrival at Heathrow Airport. May 5, 1977

I'm very proud to come to London, Great Britain, as the first country that I have visited outside my own Nation as President of the United States.

It's not an accident that this is my first overseas trip because of the historical ties that have always bound the United States of America and the United Kingdom together in a special and very precious

relationship. Our political system, our sense of justice, the pride that we take in individuality and human freedom, our system of laws came from Great Britain.

We have a special mutual commitment toward world peace, toward addressing in a courageous fashion the special problems that afflict human beings in the need for better health care and better education and jobs so that we won't be robbed by inflation.

I'm looking forward tomorrow to going to Newcastle and also to Washington to visit the ancestral home of our own first President, George Washington. This is symbolic of the ties that have always bound us together. My own ancestors came from England more than 300 years ago. And many of my own personal neighbors and friends trace their lineage and their background and their commitment to human values to this great country.

It's also a proper place for the leaders of some of the industrial nations of the world to assemble here in London. This is the first time that an American President has been able to visit Great Britain since you assumed, Mr. Prime Minister, such a strong position in the European Community. You're now the leader of that community, and it is entirely appropriate that I and you and five other national leaders should come here to discuss matters of common import.

I'd like to say also that we are deeply grateful in the United States for your recent visit to Washington, when we had a chance to discuss matters of importance to our people and to form a friendship in a personal way that will be valued by me the rest of my life. And we are especially grateful that your own Queen, Her Majesty, was able to come to our country last year when we celebrated our Bicentennial birthday. And I'm very grateful to be able to come over here on the special occasion

that you will celebrate this year, her Silver Jubilee. And although I can't be here on the exact date, I hope that a member of my family or maybe more than one can come here to represent our country, to add congratulations to your wonderful leader. These are the kinds of thoughts that go through my mind.

I'm looking forward to my visit here, which will be all too brief, but I hope that when I leave, having enjoyed your own hospitality, that the ties that bind our countries together will be even stronger than they have been in the past.

So, I hope the weather is good tomorrow when we go to northern England, and if it's not, I'm sure the warmth of the people as they receive you and me together will make us forget about the weather itself.

I'm really looking forward to this visit, and I again want to thank you and your wife and the other government leaders for welcoming me here to an occasion which I've been looking forward to for many many months.

Thank you very much.

NOTE: The President spoke at 10:08 p.m. at Heathrow Airport, where he was greeted by Prime Minister James Callaghan. Following his remarks, the President motorcaded to Winfield House, the residence of the U.S. Ambassador to the Court of St. James, where he stayed during his visit in London.

Newcastle-Upon-Tyne, England

*Remarks at the Newcastle Civic Centre.
May 6, 1977*

*Ha'way-tha-lads!*¹

I'm very grateful to be a Geordie² now, and I'm deeply grateful at the tremendous welcome that you've extended to me and

¹ A cheer for the Newcastle soccer team.

² The citizens of Newcastle call themselves Geordies.

to the other visitors who have come here from the United States.

The last time, I believe, that an American was honored in this way was Dr. Stanley in 1890, and I am very glad to see your beautiful open spaces and the wonderful progress that Newcastle has made. I understand that when this city was founded, we still had 400 years to wait before the Pilgrims came to our country. And the merging of the old and the new is something that's exciting to me.

I have come here to be with your own Prime Minister and the leaders of five other great nations to deal with the problems that face our free world in the future. We are very eager to see those who are unemployed go back to work. We have a special interest in young people who have no jobs. And all the nations that will be represented in the discussion this week—from Japan, from Canada, from the Federal Republic of Germany, from Italy, from France, from Great Britain, and from the United States—will be deeply concerned about how the economy of our countries might be strengthened.

We have a special program in our own nation that we are initiating this year for young people. We'll have 1.1 million jobs provided during the summer months for young people. And we have 65,000 other jobs in our open parklands and in the cities, plus training jobs—130,000 of those—and one of the most intense commitments that Prime Minister Callaghan has discussed with me is the employment of young people.

We also face a time of challenge for the nations of the free world. We are very deeply dedicated to strengthening the ties of military strength which bind us together in NATO. And we are very proud of the increasing common purpose that's being expressed between Great Britain and the other members of the European Community.

We're determined in the United States to use our great economic and social and political and military strength so that we can never be successfully challenged by any competing philosophy, and we are very eager to combine with our allies and friends to make sure that this resolve is clearly understood by all.

We have an eagerness to compete in an ideological way around the world because we know that our own commitment to human freedoms, to human rights, to democratic principles and to the compassion that we feel toward those less fortunate than we, will prevail.

This is a commitment that we share with you, and I also want to say that there is a sense of special friendship and a commonality of purpose, and historical, and ties of kinship that exist between the United States and Great Britain.

Last year we celebrated our 200th birthday as a nation. And Her Majesty the Queen came to pay her own tribute to us. It was a gesture of friendship and sensitivity that everyone in the United States deeply appreciated.

And I'm very proud to return to visit this year on the 25th anniversary of her own leadership of your great country. My family will be represented here later on next month as the birthday time approaches.

And we were very honored last month to have Prime Minister Callaghan come to submit his ties with me of friendship and to share a common commitment of our two great nations.

In closing, let me say that I am particularly glad that the first visit that I have made as President was to Great Britain and particularly to this area around Newcastle.

As your mayor has said, I made a brief stop last night to rest on the way in one of the smallest cities of England, and you

have to have these intermediate stops before you come to the important places.

But I want you to know that I'm also aware that my own ancestors, more than 300 years ago, came from England. And later on today I'll be visiting Washington, where our first President's ancestors resided.

I think it's important for us to realize that sometimes we face difficult times in war, sometimes we face difficult times in the change of government structures, sometimes we face difficult challenges in economic progress. But there's a sense of commitment, there is a sense of inner strength, there is a sense of common purpose that never changes.

And I've always felt in times of challenge for our own great country a sense of support and confidence because of the unshakable friendship between the people of the United Kingdom and the people of the United States of America.

I'm determined, as President, that these ties of common purpose will be even stronger in years to come. Our system of government, our system of law, our commitment to the individuality of human beings, our promise of constant freedom has all been derived from the social and political structure of England. And we are proud of this heritage which we share with you.

And I believe that we ought always to remind ourselves, when there are temporary problems that we face, that the ultimate meeting of those challenges, the ultimate answering of difficult questions lies not in the identity of political leaders, but in the hearts and souls of the citizens of our nations, who never change in our basic commitments and who believe that strength that comes from human freedom cannot be denied.

Thank you for your wonderful welcome to me. I'm proud to be presented the freedom of your community. I feel as

though I'm one of you. And I will never forget the wonderful welcome that you have extended to me.

Good luck to you. We share a great future together.

Thank you very much.

NOTE: The President spoke at 10:30 a.m. Prior to his remarks, he was presented with the honorary freedom of the city by Councillor Hugh White, Lord Mayor of Newcastle.

Newcastle-Upon-Tyne, England

Remarks on Departure From Woolsington Airport. May 6, 1977

Thank you very much, Mr. Prime Minister.

To my good friend, Jim Callaghan, and to Ernie, and to all those who made this visit so memorable in my life, I want to say thank you. And to the tens of thousands of people who have come out to see me on the sides of the highways, in the Newcastle Square, at Washington, I want to say thank you.

There's no way that I can express the sense of friendship and common heritage, common commitment to the future that I feel with the people of Great Britain. And I believe that this visit, as viewed on television and as read about in the news back home, will assure, again, the people of the United States of America that our common heritage that has bound us together in the past will be continued even stronger in the future.

There have been many people who have shaken my hand this day, hands of strength, hands with callouses from hard work. And the sense that I've felt of quiet determination and a spirit of hope and confidence, has been an inspiration to me.

My only suggestion to Jim Callaghan for improving this visit is to bring the leaders of the other five nations up here

to northern England instead of going back to London for the summit conference. Perhaps next time we come we can make those kinds of arrangements, because I think to see here in the industrial region of England the quiet competence to produce goods that go around the world is a symbol of the strength of Great Britain.

The last point I want to make is this: My wife and I have initiated an exchange of American citizens. We hope that during the next 4 years that we might send a planeload of people from the different States in our own country to different nations of the world and to take back to our own Nation a couple hundred citizens to exchange ideas and knowledge about one another. And completely as a coincidence, the first trip from our own country to a foreign country will be from Atlanta, Georgia, my own State capital; and coincidentally, the first destination of that flight will be to Newcastle. We hope that this will be an additional indication of the sense of personal friendship that has been initiated on this fine visit.

So, to all of you, thank you. God bless you. I'm proud that you've become my new friends.

Thank you very much.

NOTE: The President spoke at 2:05 p.m. in response to remarks of Prime Minister Callaghan. Following the departure ceremony, the President returned to London.

London, England

Exchange With Reporters Following a Dinner Hosted by Prime Minister James Callaghan. May 6, 1977

REPORTER. Mr. President, can you tell us something about your evening?

THE PRESIDENT. Well, the evening was delightful. I enjoyed having a chance to know the other heads of state. I believe

we've laid the groundwork for a very successful conference tomorrow.

Q. Why?

THE PRESIDENT. Well, there seemed to be very few differences among us. We are determined to address some extremely controversial issues like nonproliferation, the control of the sale of conventional weapons, and how to deal with the less-developed countries, and to discuss a common viewpoint on international monetary and financial questions.

But I could see a great confidence among the leaders about the future of the democratic society, but a very common assessment of need to cooperate with one another and to make sure that this conference is not just to produce a communique but to follow up substantively after the conference is concluded to carry out the agreements that were reached. But it was very good.

Q. Mr. President, is there anything specific that you're going to ask your fellow leaders to do, or consider?

THE PRESIDENT. Yes.

Q. What?

THE PRESIDENT. I'll tell you later.
[Laughter]

Q. Do you think the European Community and all the industrialized nations are really looking for an international leader now? Is the United States in the position with you as a new President?

THE PRESIDENT. No. I don't think so. I think the essence of this meeting is that no one assumes a dominant position, but that we share a common approach to questions that concern us all. Different ones have subjects for emphasis.

I've discussed with the British, for instance, the problem of unemployment, particularly among young people. And the Japanese are quite eager to have the nonproliferation question resolved without discrimination against nations who are dependent upon supplies from us.

The Germans are quite eager to participate, along with the other developed nations, in providing some sort of stabilizing fund for the less-developed countries on their basic commodities.

So, each country brings to the discussion a special interest. But I think it would be inaccurate to insinuate that any one leader would be the dominant person.

Q. What's your specialty?

THE PRESIDENT. Well, we're quite concerned about human rights, nonproliferation questions, and the control of the sale or reduction of the sale of conventional—nuclear weapons, and we want to join with our friends from Japan and the European Community in working out a reasonable approach to stabilizing the world economy.

We're very eager to join with the British on the unemployment question. But I think that this is a means by which we can spend 2 full days both getting acquainted with one another and, I hope, addressing questions in a courageous and substantive fashion. But I was impressed with the extremely great experience that the other leaders have in economics, which I don't have.

The Prime Minister of Great Britain has been a finance minister. The Prime Minister of Japan has been a finance minister. The President of France has been a finance minister. And of course, the Chancellor of Germany has been a finance minister.

Q. You're not going to get an inferiority complex?

THE PRESIDENT. Well, I do on economics. I'm here to learn a lot about it. But our country is so strong economically that I think that this does give my voice an adequate weight, even though I don't understand the questions as well as some of the others.

We'll see you tomorrow. I think I'd better go.

Q. Will you have a confrontation with Schmidt tomorrow?

THE PRESIDENT. No. We're going to have breakfast in the morning at 7:30.

Q. It's a lot different than the first summit, isn't it?

THE PRESIDENT. Yes.

NOTE: The President spoke at 10:33 p.m. on his return to Winfield House, following the dinner at the Prime Minister's residence, 10 Downing Street, for heads of state and ministers who were in London to attend the international economic summit meeting.

United States Circuit Court Judgeships

Appointment of Five Merit Selection Panels To Recommend Nominees for the Positions. May 7, 1977

The President today announced the appointment of five merit selection panels to recommend nominees for United States circuit court judgeships.

The five panels are the first of 13 to be named by President Carter in accordance with an Executive order he signed on February 15. The Executive order calls for one panel for each judicial circuit and two panels each for the geographically large fifth and ninth circuits.

Each panel has 11 members. They will submit, within 60 days, five names from which the President may select a nominee.

The panels announced today will fill one vacancy each in the first and the eastern and western fifth circuits and two vacancies each in the sixth and southern ninth circuits. (The only other current vacancies are in the tenth and fourth circuits.)

Letters have been sent by President Carter to the five panels announced today specifying the States or other areas from which the President wishes the panel to

select candidates. The President's choice of States was based on tradition, population, and share of the circuit's workload.

The vacancies for which the panels will recommend nominees, and the areas from which they will choose, are as follows:

In the first circuit, for the vacancy created by the retirement of Edward W. McEntee, candidates to be chosen from New Hampshire and Puerto Rico;

In the eastern fifth circuit, for the vacancy created by the retirement of Walter P. Gewin, candidates to be chosen from Alabama;

In the western fifth circuit, for the vacancy created by the retirement of John Minor Wisdom, candidates to be chosen from Louisiana;

In the sixth circuit, for the vacancy created by the death of William E. Miller, candidates to be chosen from Tennessee; and for the vacancy created by the retirement of Wade H. McCree, candidates to be chosen from Michigan;

In the southern ninth circuit, for the vacancy created by the retirement of Ben C. Duniway, candidates to be chosen from Nevada; and for the vacancy created by the retirement of Richard H. Chambers, candidates to be chosen from Arizona.

Members of the panels announced today are:

For the first circuit:

PAUL A. FREUND, professor of law, Harvard, Cambridge, Mass., *Chairman*

RAE B. CONDON, executive director, Governor's Commission on Conflict of Interest, Providence, R.I.

SHANE DEVINE, attorney, Manchester, N.H.

CAROLYN DIK, activist on court reform, Worcester, Mass.

RICHARD K. DONAHUE, attorney, Lowell, Mass.

DANIEL M. KEYES, JR., attorney, Springfield, Mass.

REV. THOMAS R. PETERSON, president, Providence College, Providence, R.I.

MARTIN A. ROGOFF, professor of law, University of Maine, Portland, Maine

May 7

Administration of Jimmy Carter, 1977

FLORENCE RUBIN, president, Massachusetts League of Women Voters, Boston, Mass.
WILLIAM SHAHEEN, attorney, Dover, N.H.
IDA MARIE WILSON, director of auditing, Sears & Roebuck, Augusta, Maine

For the eastern fifth circuit:

DuBOSE AUSLEY, attorney, Tallahassee, Fla.,
Chairman
HENRY L. BOWDEN, attorney, Atlanta, Ga.
DANNY E. CUPIT, attorney, Jackson, Miss.
CHARLOTTE DOMINICK, county treasurer, Jefferson County, Birmingham, Ala.
W. SPENCER LEE, attorney, Albany, Ga.
ED H. PRICE, JR., attorney, Bradenton, Fla.
MAMIE REECE, chair, Georgia Pardon and Parole Board, Atlanta, Ga.
TERESA SALDISE, attorney, Miami, Fla.
ARTHUR D. SHORES, Birmingham city council member, Birmingham, Ala.
ORMA R. SMITH, JR., attorney, Corinth, Miss.
FRANCENA THOMAS, director of minority Affairs, Florida International University, Miami, Fla.

For the western fifth circuit:

WILLIAM HARVIN, attorney, Houston, Tex.,
Chairman
JIM BOWMER, attorney, Temple, Tex.
DR. HECTOR GARCIA, medical doctor, Corpus Christi, Tex.
JAY HAKES, professor of political science, University of New Orleans, New Orleans, La.
HELEN HUNTER, Texas League of Women Voters, Houston, Tex.
EDDIE BERNICE JOHNSON, member, State House of Representatives, Austin, Tex.
GABRIELLE K. McDONALD, attorney, Houston, Tex.
A. LANE PLAUCHE, attorney, Lake Charles, La.
GRETCHEN E. RAATZ, attorney, Austin, Tex.
IRMA RANGEL, member, State House of Representatives, Austin, Tex.
MARY ETHEL SIEFKEN, president, Independent Women's Organization; founder, Women Against Crime, New Orleans, La.

For the sixth circuit:

WILSON W. WYATT, attorney, Louisville, Ky.,
Chairman
KATHERINE R. BOWDEN, attorney, Lexington, Ky.
JOHN H. BUSTAMANTE, attorney, Cleveland, Ohio
DOUGLAS A. FRASER, vice president, United Auto Workers, Detroit, Mich.

MARTHA W. GRIFFITHS, attorney, former U.S. Representative, Romeo, Mich.
RUTH HOLMBERG, publisher, Chattanooga Times, Chattanooga, Tenn.
MARY JANE McDONALD, assistant to the president, Denison University, Granville, Ohio
WALTER A. PORTER, attorney, Dayton, Ohio
JOHN SEIGENTHALER, publisher, Nashville Tennessean, Nashville, Tenn.
HONORABLE COLEMAN YOUNG, mayor of Detroit, Detroit, Mich.
STELLA ZANNONI, owner and manager of largest Italian market in Cleveland, Cleveland, Ohio

For the southern ninth circuit:

JOHN P. FRANK, attorney, Phoenix, Ariz.,
Chairman
MARGO BOUCHET, legislative analyst, city of Los Angeles, Calif.
SYLVIA CANO, deputy attorney general, State of California, Los Angeles, Calif.
JON R. COLLINS, attorney, Las Vegas, Nev.
JOE MONTOYA, member, California State Assembly, El Monte, Calif.
BETH PACKARD, homemaker, active in community affairs, Flagstaff, Ariz.
PHILIP SCHAEFER, stockbroker, San Francisco, Calif.
RICHARD SILBERMAN, chairman, California Federal Selection Commission, San Diego, Calif.
ELIZABETH SNYDER, philanthropist, active in women's movement, Los Angeles, Calif.
JUDITH LESLIE SOLEY, attorney, Fresno, Calif.
BARBARA THORNTON, professor of political science, University of Nevada at Reno, Reno, Nev.

International Economic Summit Meeting

Exchange With Reporters Following the First Two Sessions of the Meeting. May 7, 1977

THE PRESIDENT. Hello, everybody.

Q. How did it go today, Mr. President?

THE PRESIDENT. Well, we had a long, very thorough discussion. I thought it went well. We got started on energy, and we'll finish up with that tomorrow.

Q. What did they think of your energy program?

THE PRESIDENT. I think most of them see the need for reducing our imports of oil and for continuing to use atomic power in an expanding way. But we're all determined to hold down on the proliferation of nuclear weapon capability, and how to resolve this problem with so many different kinds of nations' needs is one that will probably be our most difficult undertaking. But we will continue to work on it tomorrow, and I was very pleased with today's discussion.

Q. How do the Germans seem to feel about this problem of spreading nuclear power?

THE PRESIDENT. Well, I think we're all unanimous in not wanting to see the weapon capability expand. As you know, Germany signed a nonproliferation treaty years ago and so has Japan and so have we, and I think we all feel the need to control the explosive capability, but to let people have adequate fuel.

Thank you for waiting for me.

NOTE: The President spoke at 6:40 p.m. upon his return to Winfield House, following the first full day of the summit meeting.

International Economic Summit Meeting

Exchange With Reporters Following a State Dinner at Buckingham Palace. May 7, 1977

REPORTER. Mr. President, how about telling us about Buckingham Palace?

THE PRESIDENT. What are you doing waiting so late?

Q. In the rain!

THE PRESIDENT. I know, I'm sorry you had to do that.

Q. Did you have a good time?

THE PRESIDENT. I really did. It's one of the most beautiful places I've ever seen. And I think the whole royal family was

there. I had a good place to sit. I was between the Queen and Princess Margaret, and across the table was Prince Charles and Prince Philip, and the Queen Mother was there, too. So, the whole family was very gracious to us tonight.

Q. Can you tell us what you talked about, Mr. President?

THE PRESIDENT. Well, one of the things I told Queen Elizabeth was how much the American people appreciated her coming over last year to celebrate our 200th birthday. And she said that it was one of the warmest welcomes she'd ever received. I told her that I got a similar welcome in northern England yesterday.

But we just talked about the need for world peace, and how much it meant to the other countries when she came in to visit, and how close together our own nation is to England because of our common historical background and heritage. All of the foreign heads of state were present too, and we had a very enjoyable evening, getting to know them and some of the foreign ministers and the finance ministers even better on a personal basis. I thought it was a very productive meeting as well as a very enjoyable occasion.

First time I've ever been inside of Buckingham Palace. I was through as a tourist several years ago, my only previous visit to London, and I saw it through the fence.

Q. Those kings really know how to live.

THE PRESIDENT. They really do. But it's beautiful.

Q. We understand from the Germans that there was some sort of an agreement to set up a panel to report back within 8 weeks on ways to safeguard the curbing of nuclear proliferation. Is that—

THE PRESIDENT. Well, the basic question, of course, is how to have adequate supplies of nuclear fuel—which is derived mostly from ourselves, the Canadians, and

in the future, I think, Australians, to some lesser degree France and southern Africa; and of course, the Soviet Union does produce some; they don't export much—how to provide the fuel to people that need nuclear power for production of electricity and how to prevent the changing of the spent fuel, the used fuel, into explosives. And each of the nations is so different in its background, and it's the first time that the heads of state have ever been willing to address this very divisive issue. So, we are going to set up a group of technicians to try to study all of the facets of the problem, and then, of course, try to work with many other nations in bringing about a comprehensive international agreement on how to handle this problem. But it was a very fruitful discussion. We have some nations there who have signed the nonproliferation treaty, like we have, who do produce weapons. There are other nations who produce weapons who have not signed the nonproliferation treaty like France, and of course, Germany and Japan have signed the nonproliferation treaty and they don't produce weapons—the same way with Canada—having adequate fuel, but they've decided not to produce weapons either. So, there's such a diversity of interest and a deep concern about the future that we thought it was time to address this problem.

Q. Was it your suggestion to set up this panel? Is that a solution?

THE PRESIDENT. Well, it was a mutual suggestion. We don't know yet whether the panel will be successful in solving the question or dealing with the differences among us. But the nations who do produce large amounts of enriched fuel, like ourselves, have a great deal of influence on the others. And, of course, we want to be fair to them because it's a very divisive political issue in some of the countries. They want to retain their legitimate independence and autonomy. They don't want other nations like ourselves telling them how to act. And still, I think, there was a unanimous belief that unless we do take action, that there will be a lot of other of the so-called threshold nations who will produce explosives in the future, as India did a few years ago. And all of us want to prevent that.

Q. Did you find any sympathy for your views on human rights today, Mr. President?

THE PRESIDENT. Unanimous.

Q. Really? And did you get along with Giscard?

THE PRESIDENT. Oh, very well. Yes, I like him.

Q. Really? We expected a confrontation.

THE PRESIDENT. No, no. Good night.

NOTE: The President spoke at approximately 11 p.m. upon his return to Winfield House.

The transcript of the exchange was made available by the White House Press Office. It was not issued in the form of a White House press release.

INTERNATIONAL ECONOMIC SUMMIT MEETING

Joint Declaration Issued at the Conclusion of the Meeting. May 8, 1977

In two days of intensive discussion at Downing Street we have agreed on how we can best help to promote the well-being both of our own countries and of others.

The world economy has to be seen as a whole; it involves not only co-operation among national Governments but also strengthening appropriate international organizations. We were reinforced in our awareness of the interrelationship of all the issues before us, as well as our own interdependence. We are determined to respond collectively to the challenges of the future.

—Our most urgent task is to create more jobs while continuing to reduce inflation. Inflation does not reduce unemployment. On the contrary it is one of its major causes. We are particularly concerned about the problem of unemployment among young people. We have agreed that there will be an exchange of experience and ideas on providing the young with job opportunities.

—We commit our governments to stated economic growth targets or to stabilization policies which, taken as a whole, should provide a basis for sustained non-inflationary growth, in our own countries and worldwide and for reduction of imbalances in international payments.

—Improved financing facilities are needed. The International Monetary Fund must play a prominent role. We commit ourselves to seek additional resources for the IMF and support the linkage of its lending practices to the adoption of appropriate stabilization policies.

—We will provide strong political leadership to expand opportunities for trade to strengthen the open international trading system, which will increase job opportunities. We reject protectionism: it would foster unemployment, increase inflation and undermine the welfare of our peoples. We will give a new impetus to the Tokyo Round of Multilateral Trade Negotiations. Our objective is to make substantive progress in key areas in 1977. In this field structural changes in the world economy must be taken into consideration.

—We will further conserve energy and increase and diversify energy production, so that we reduce our dependence on oil. We agree on the need to increase nuclear energy to help meet the world's energy require-

ments. We commit ourselves to do this while reducing the risks of nuclear proliferation. We are launching an urgent study to determine how best to fulfill these purposes.

—The world economy can only grow on a sustained and equitable basis if developing countries share in that growth. We are agreed to do all in our power to achieve a successful conclusion of the CIEC and we commit ourselves to a continued constructive dialogue with developing countries. We aim to increase the flow of aid and other real resources to those countries. We invite the COMECON countries to do the same. We support multilateral institutions such as the World Bank, whose general resources should be increased sufficiently to permit its lending to rise in real terms. We stress the importance of secure private investments to foster world economic progress.

To carry out these tasks we need the assistance and cooperation of others. We will seek that cooperation in appropriate international institutions, such as the United Nations, the World Bank, the IMF, the GATT and OECD. Those among us whose countries are members of the European Economic Community intend to make their efforts within its framework.

In our discussions we have reached substantial agreement. Our firm purpose is now to put that agreement into action. We shall review progress on all the measures we have discussed here at Downing Street in order to maintain the momentum of recovery.

The message of the Downing Street Summit is thus one of confidence:
—in the continuing strength of our societies and the proven democratic principles that give them vitality;
—that we are undertaking the measures needed to overcome problems and achieve a more prosperous future.

APPENDIX TO THE INTERNATIONAL ECONOMIC SUMMIT MEETING DECLARATION

World Economic Prospects

Since 1975 the world economic situation has been improving gradually. Serious problems, however, still persist in all of our countries. Our most urgent task is to create jobs while continuing to reduce inflation. Inflation is not a remedy to unemployment but one of its major causes. Progress in the fight against inflation has been uneven. The needs for adjustment between surplus and deficit countries remain large. The world has not yet fully adjusted to the depressive effects of the 1974 oil price rise.

We commit our Governments to targets for growth and stabilization which vary from country to country but which, taken as a whole, should provide a basis for sustained non-inflationary growth worldwide.

Some of our countries have adopted reasonably expansionist growth targets for 1977. The governments of these countries will keep their policies under review, and commit themselves to adopt further policies, if needed to achieve their stated target rates and to contribute to the adjustment of payments imbalances. Others are pursuing stabilization policies designed to provide a basis for sustained growth without increasing inflationary expectations. The governments of these countries will continue to pursue those goals.

These two sets of policies are interrelated. Those of the first group of countries should help to create an environment conducive to expansion in the others without adding to inflation. Only if growth rates can be maintained in the first group and increased in the second, and inflation tackled successfully in both, can unemployment be reduced.

We are particularly concerned about the problem of unemployment among young people. Therefore we shall promote the training of young people in order to build a skilled and flexible labor force so that they can be ready to take advantage of the upturn in economic activity as it develops. All of our governments, individually or collectively, are taking appropriate measures to this end. We must learn as much as possible from each other and agree to exchange experiences and ideas.

Success in managing our domestic economies will not only strengthen world economic growth but also contribute to success in four other main economic fields to which we now turn—balance of payments financing, trade, energy and North/South relations. Progress in these fields will in turn contribute to world economic recovery.

Balance of Payments Financing

For some years to come oil-importing nations, as a group, will be facing substantial payments deficits and importing capital from OPEC nations to finance them. The deficit for the current year could run as high as \$45 billion. Only through a reduction in our dependence on imported oil and a rise in the capacity of oil-producing nations to import can that deficit be reduced.

This deficit needs to be distributed among the oil-consuming nations in a pattern compatible with their ability to attract capital on a continuing basis. The need for adjustment to this pattern remains large, and it will take much international co-operation, and determined action by surplus as well as deficit countries, if continuing progress is to be made. Strategies of adjustment in the deficit countries must include emphasis on elimination of domestic sources of inflation and improvement in international cost-price relationships. It is important that industrial countries in relatively strong payments positions should ensure continued adequate expansion of domestic demand, within prudent limits. Moreover these countries, as well as other countries in strong payments positions, should promote increased flows of long-term capital exports.

The International Monetary Fund must play a prominent role in balance of payments financing and adjustment. We therefore strongly endorse the recent agreement of the Interim Committee of the IMF to seek additional resources for that organization and to link IMF lending to the adoption of appropriate stabilization policies. These added resources will strengthen the ability of the IMF to encourage

and assist member countries in adopting policies which will limit payments deficits and warrant their financing through the private markets. These resources should be used with the conditionality and flexibility required to encourage an appropriate pace of adjustment.

This IMF proposal should facilitate the maintenance of reasonable levels of economic activity and reduce the danger of resort to trade and payments restrictions. It demonstrates co-operation between oil-exporting nations, industrial nations in stronger financial positions, and the IMF. It will contribute materially to the health and progress of the world economy. In pursuit of this objective, we also reaffirm our intention to strive to increase monetary stability.

We agreed that the international monetary and financial system, in its new and agreed legal framework, should be strengthened by the early implementation of the increase in quotas. We will work towards an early agreement within the IMF on another increase in the quotas of that organization.

Trade

We are committed to providing strong political leadership for the global effort to expand opportunities for trade and to strengthen the open international trading system. Achievement of these goals is central to world economic prosperity and the effective resolution of economic problems faced by both developed and developing countries throughout the world.

Policies on protectionism foster unemployment, increase inflation and undermine the welfare of our peoples. We are therefore agreed on the need to maintain our political commitment to an open and non-discriminatory world trading system. We will seek both nationally and through the appropriate international institutions to promote solutions that create new jobs and consumer benefits through expanded trade and to avoid approaches which restrict trade.

The Tokyo Round of multilateral trade negotiations must be pursued vigorously. The continuing economic difficulties make it even more essential to achieve the objective of the Tokyo Declaration and to negotiate a comprehensive set of agreements to the maximum benefit of all. Toward this end, we will seek this year to achieve substantive progress in such key areas as:

- (i) a tariff reduction plan of broadest possible application designed to achieve a substantial cut and harmonization and in certain cases the elimination of tariffs;
- (ii) codes, agreements and other measures that will facilitate a significant reduction of non-tariff barriers to trade and the avoidance of new barriers in the future and that will take into account the structural changes which have taken place in the world economy;
- (iii) a mutually acceptable approach to agriculture that will achieve increased expansion and stabilization of trade, and greater assurance of world food supplies.

Such progress should not remove the right of individual countries under existing international agreements to avoid significant market disruption.

While seeking to conclude comprehensive and balanced agreements on the basis of reciprocity among all industrial countries we are determined, in accordance with the aims of the Tokyo Declaration, to ensure that the agreements provide special benefits to developing countries.

We welcome the action taken by Governments to reduce counter-productive competition in officially supported export credits and propose that substantial further efforts be made this year to improve and extend the present consensus in this area.

We consider that irregular practices and improper conduct should be eliminated from international trade, banking and commerce, and we welcome the work being done toward international agreements prohibiting illicit payments.

Energy

We welcome the measures taken by a number of Governments to increase energy conservation. The increase in demand for energy and oil imports continues at a rate which places excessive pressure on the world's depleting hydrocarbon resources. We agree therefore on the need to do everything possible to strengthen our efforts still further.

We are committed to national and joint efforts to limit energy demand and to increase and diversify supplies. There will need to be greater exchanges of technology and joint research and development aimed at more efficient energy use, improved recovery and use of coal and other conventional resources, and the development of new energy sources.

Increasing reliance will have to be placed on nuclear energy to satisfy growing energy requirements and to help diversify sources of energy. This should be done with the utmost precaution with respect to the generation and dissemination of material that can be used for nuclear weapons. Our objective is to meet the world's energy needs and to make peaceful use of nuclear energy widely available, while avoiding the danger of the spread of nuclear weapons. We are also agreed that, in order to be effective, non-proliferation policies should as far as possible be acceptable to both industrialized and developing countries alike. To this end, we are undertaking a preliminary analysis to be completed within two months of the best means of advancing these objectives, including the study of terms of reference for international fuel cycle evaluation.

The oil-importing developing countries have special problems both in securing and in paying for the energy supplies needed to sustain their economic development programs. They require additional help in expanding their domestic energy production and to this end we hope the World Bank, as its resources grow, will give special emphasis to projects that serve this purpose.

We intend to do our utmost to ensure, during this transitional period, that the energy market functions harmoniously, in particular through strict conservation measures and the development of all our energy resources. We hope very much that the oil-producing countries will take these efforts into account and will make their contribution as well.

We believe that these activities are essential to enable all countries to have continuing energy supplies now and for the future at reasonable prices consistent with sustained non-inflationary economic growth, and we intend through all useful channels to concert our policies in continued consultation and cooperation with each other and with other countries.

North/South Relations

The world economy can only grow on a sustained and equitable basis if developing countries share in that growth. Progress has been made. The industrial countries

have maintained an open market system despite a deep recession. They have increased aid flows, especially to poorer nations. Some \$8 billion will be available from the IDA for these nations over the next three years, as we join others in fulfilling pledges to its Fifth Replenishment. The IMF has made available to developing countries, under its compensatory financing facility nearly an additional \$2 billion last year. An International Fund for Agricultural Development has been created, based on common efforts by the developed OPEC, and other developing nations.

The progress and the spirit of cooperation that have emerged can serve as an excellent base for further steps. The next step will be the successful conclusion of the Conference on International Economic Cooperation and we agreed to do all in our power to achieve this.

We shall work:

- (i) to increase the flow of aid and other real resources from the industrial to developing countries, particularly to the 800 million people who now live in absolute poverty; and to improve the effectiveness of aid;
- (ii) to facilitate developing countries' access to sources of international finance;
- (iii) to support such multilateral lending institutions as the World Bank, whose lending capacity we believe will have to be increased in the years ahead to permit its lending to increase in real terms and widen in scope;
- (iv) to promote the secure investment needed to foster world economic development;
- (v) to secure productive results from negotiations about the stabilization of commodity prices and the creation of a Common Fund for individual buffer stock agreements and to consider problems of the stabilization of export earnings of developing countries; and
- (vi) to continue to improve access in a non-disruptive way to the markets of industrial countries for the products of developing nations.

It is desirable that these actions by developed and developing countries be assessed and concerted in relation to each other and to the larger goals that our countries share. We hope that the World Bank, together with the IMF, will consult with other developed and developing countries in exploring how this could best be done.

The well-being of the developed and developing nations are bound up together. The developing countries' growing prosperity benefit industrial countries, as the latter's growth benefits developing nations. Both developed and developing nations have a mutual interest in maintaining a climate conducive to stable growth worldwide.

NOTE: Participants in the 2-day meeting, held at 10 Downing Street, were President Carter, Valéry Giscard d'Estaing, President of the Republic of France, Pierre Elliott Trudeau, Prime Minister of Canada, Helmut Schmidt, Chancellor of the Federal Republic of Germany, Giulio Andreotti, Prime Minister of Italy, Takeo Fukuda, Prime Minister of Japan, and James Callaghan, Prime Minister and First Lord of the Treasury of the United Kingdom of Great Britain and Northern Ireland.

The text of the joint declaration was released at London, England.

International Economic Summit Meeting

Remarks Following the Reading of the Joint Declaration. May 8, 1977

Thank you, Mr. Chairman.

I think the great attention that's being paid to our deliberations and decisions by the world is accurately expressed by the attendance of the news media here. I think, however, it's good for all of us to remember that sometimes heads of state tend to overemphasize or overestimate our own influence.

Historical occurrences can remind us of this. There was a King of England who considered himself to be more influential than the actual fact. Three hundred and twenty-eight years ago, he had a struggle with the Parliament. He came to this building. And when he left, on orders of the Parliament he was beheaded in the street.

And I think this may not happen to us, but we have to remember—[laughter]—we have to remember that making decisions, even difficult ones, in unanimity, is not a guarantee that our decisions will be consummated.

I have been very fortunate on my first trip to meet with experienced leaders. Five of them have been finance ministers before becoming Presidents or Prime Ministers. I've learned a lot. I think it's accurate to say that we've made some far-reaching decisions, facing a world whose economic structure has changed.

We now face the constant prospect that the OPEC nations export about \$45 billion worth of goods more than they import, which means that the consuming nations, including our own country, have to have a deficit of about \$45 billion a year. Most of us can accommodate these deficits for the time being. But the poor and deprived nations of the world, who don't

have the industrial capacity, can't do so.

The prime discussion that we had that created most problems was trade and how to seek and use new sources of energy. I think it's accurate to report that the leaders who were debating these points decided that there is no way to ensure future world prosperity unless we have a maximum degree of free trade among our countries. It's a great temptation in a time of high unemployment to erect protectionist barriers at our nations' borders. But after a great deal of discussion, we all decided that this was something that we want to avoid.

We also are now embarked upon a time when the use of nuclear energy is crucial to some nations who are not blessed with other kinds of fuel supplies. We are one of the supplier nations, along with Canada and others, of nuclear fuel.

We want to be sure that when we export these nuclear fuels, that they are not subsequently converted into explosives. And how to deal with this difficult question without encroaching upon the autonomy of nations who consumer this energy is a very difficult and sensitive question indeed.

We've agreed, as Prime Minister Callaghan has pointed out, to study this problem for 2 months, to define the terms of reference and to assess the entire nuclear fuel cycle from the exploration for uranium and other supplies, the extraction of those supplies, the enrichment of the fuel, the transportation of it, the consumption of it to produce electricity, the handling of the waste products with care, and the ultimate disposal of waste is a very, very difficult assignment, which I believe for the first time has been addressed in a very frank fashion.

Another point that was discussed, which was not so far reported, is that we believe that a time has come for international control and prohibition against

illegalities—bribery, extortion, and other actions that sometimes have been condoned in the field of trade, commerce, and banking.

I was very pleasantly impressed with the strong support of all the leaders of government in attempting, through the United Nations and through our own actions, to stamp out this embarrassment that has been brought upon the industrial world.

The last point I would like to make is this: We see very clearly a need for expanding the function of such institutions as the International Monetary Fund, the World Bank, the regional banks, and of reaching out beyond our own group to our natural allies and friends with whom we have been associated in years gone by, and to welcome the very good attitude of the oil-supplying nations like Saudi Arabia and others who are now seeking not only to supply aid for developing countries but who want to participate with us in making decisions commensurate with their own economic influence.

And I think we've taken a good step forward in addition to that, as has been pointed out, in inviting in a congenial way the Communist countries and the Socialist countries, like the Soviet Union, to join with us in trying to provide studies of very difficult questions that concern us all, and also providing aid to those nations which are much less fortunate.

We have resolved to continue the function of the highly skilled persons who prepared for this conference. They will follow up to be sure that our conference has not been an idle discussion and not just consummated when we issue a very unanimous report. And I believe that this will be an innovation which will remind us all in the months and weeks ahead, as we go back home, that we have obligations to fulfill, and in many ways our own reputations are at stake, to carry out the

promises that we are now making this afternoon to the world who looks to us for the solution of these difficult problems.

I want to express my own thanks to Prime Minister Callaghan and to all those who helped to make this conference so successful. I'm very deeply grateful to them and to my colleagues on this platform who helped me learn at firsthand the wealth of their knowledge and background and experience. They've been very gracious to me.

Thank you very much.

NOTE: The President spoke at 7:25 p.m. in the Council Room at Banqueting House.

The meeting, at which each head of state or government made a statement concerning the 2 days of meetings, was chaired by British Prime Minister James Callaghan.

International Economic Summit Meeting

Exchange With Reporters Following the Final Session of the Summit Meeting. May 8, 1977

REPORTER. I haven't seen the full communique, but was there anything in there on nuclear nonproliferation?

THE PRESIDENT. Yes. In the addendum to the brief communique, there is a very clear commitment that we will pursue a 2-month study concerning the entire nuclear fuel cycle. We've got, in that meeting alone, four different kinds of nations—those that have signed a nuclear proliferation treaty and those who have not, those who have developed nuclear weapons, and those who have not.

So, we'll discuss a nuclear fuel cycle from a broad, nationwide inventory of uranium and other supplies—extraction, the concentration of it, the enrichment so it can be used, strict nuclear safeguards, and then the disposal of waste. And this will be done very shortly. It was the most

divisive and the most difficult question that we addressed.

Q. So, at the moment, you didn't reach agreement in these 2 days. You're just going to study it and try to reach agreement later?

THE PRESIDENT. That's correct. We'll study it. But we put a deadline on the study for just 2 months in the future.

Q. Mr. President, when you say it was the most divisive discussion, I wonder if you could elaborate on that.

THE PRESIDENT. Well, it was a subject that they've always agreed previously not to discuss, because nations have their own autonomy and sensitivities involved. They don't want the supply nations like ourselves and Canada and, in the future, Australia to tell them how to handle their waste products, particularly those countries that make nuclear weapons themselves.

And then, there's a question of different kinds of countries. We have about 12 or 15 nations who are referred to as threshold countries. Those are ones that have not yet acknowledged that they have explosive nuclear capability, but we think they either do or will very shortly. And how to deal with those countries, what kind of action to take—if we supply them with nuclear fuel as Canada did India, what should we do if they create an explosion? So, it's a very difficult question, and it's one that they have avoided, apparently, in years gone by. But it will be addressed this year.

Q. If I could follow up on how significant that is as an agreement to a study.

THE PRESIDENT. I think it's very significant to get that group to support publicly a study of this question, because it's one of the most politically divisive matters in almost every country there. Japan, for instance, Germany, our own country—we've had massive demonstrations even against the construction of light

water reactors, which are safe as far as their operations are concerned.

And I think that all of us see that unless this is addressed, that the present concern about nuclear power and the proliferation of weapon capability is going to get worse in the coming years instead of better.

Q. Mr. President, did you suggest this study, or does this represent a compromise from something else that you may have recommended?

THE PRESIDENT. No, we suggested this study, and I think it is accurate to say that after the long debate, all the other leaders thought it was a good idea.

Q. Mr. President, do you feel satisfied at the conclusion of the conference and the communique? What's your feeling about the 2-day wrap-up?

THE PRESIDENT. Yes. I feel quite satisfied. We got acquainted with one another for the first time. I think that there was no disappointment that I feel in the final communique, or decisions. The major question is whether or not to follow up.

Some of the more senior heads of state than I am said that quite often they've made very good decisions, but there's been no mechanism by which they could monitor progress.

And we have agreed to keep intact the small group of very highly qualified technicians who put together the preparation for this summit. Henry Owen will represent the United States. He will stay on duty until we make a final report, perhaps 8 months in the future, to monitor our progress and to point out to me and to other leaders if we are falling behind in the schedule for the accomplishment of our goals.

Q. Was a new summit mentioned, was a date for a new summit mentioned?

THE PRESIDENT. No, we had that in the original draft, but we decided to leave that out because it's so uncertain. I don't

have any doubt that we all would like to have a summit meeting about once a year. But we thought rather than schedule it on a particular date, we at first thought we might just make it tentative and then we would try to define why we should have a summit in the future. And one said, "Well, if we fail in our purposes, we ought to get back together, or if the economy gets worse, we ought to get back together." Then we decided that that would be an indication of a crisis. So, we finally left out the date for convening another summit.

Q. What is your hope for the meeting with President al-Asad, tomorrow?

THE PRESIDENT. I hope that by the end of this month, after I will have met with the key leaders that are involved in the Mideast question—I started to say "crisis"—that I will better understand the areas of common agreement and be able to define the remaining areas of disagreement.

So far, most of the leaders have suggested that when this round of discussions is completed, that we might do our own analysis of what should be done and then go back to the leaders privately. And I've already asked Secretary Cy Vance to do that.

Following that second round of discussions with the Secretary of State, as we've outlined our hope for some agreement, then our country would decide whether or not to take a public position as to the boundaries of agreement or the hope for future progress.

All this is still conjectural. But I will complete my meeting. We will have close consultations following that, including a trip by the Secretary of State to the nations involved.

Q. Sir, what do you expect from tomorrow's Four-Power meeting? Are you going to take up the question of limiting

arms sales, or any other big questions that haven't come up so far?

THE PRESIDENT. I don't know yet. This is a meeting that's completely unstructured. I've never been to one before. But my understanding is that the primary discussion will be about Berlin. I guess if other leaders want to bring up some point, they will be free to do it.

I understand that no one attends except the leaders involved.

Q. Will that city always be divided? Is that Berlin's fate forever?

THE PRESIDENT. I don't know how to answer that. As you know, the Quadripartite Agreement says that the city is not separated into two opposing political entities. We maintain, as you know, American, French, British, and German—West German patrols in Eastern Germany [East Berlin], and according to the agreement, the East Germans have access to Western Germany [West Berlin] as well.

Q. But that wall makes a mockery out of that.

THE PRESIDENT. Well, it does. I think the wall is a very dramatic indication of the hunger for freedom among people who live in Eastern Germany. I don't know how to express any hope that it might be removed. Of course, we would like very much to see the wall torn down.

Thank you.

Q. Did you call your mother?

THE PRESIDENT. I'm going to.

NOTE: The President spoke at 8 p.m. upon his return to Winfield House.

International Economic Summit Meeting

News Conference of the Secretary of State and the Secretary of the Treasury. May 8, 1977

SECRETARY VANCE. I thought I might say just a few words first in the way of gen-

eral background, and then both Mike and I'll be glad to answer any questions which you may have on the details of the document which was issued, and the appendix to it.

There are about three points, I think, that are important to make at the outset. First of all, I think the summit was very important because it dealt with substantive matters in a way which was unique. I talked to one person after the summit who had been to all three of the summits, and he said that there was more substance dealt with in this summit than any of the others which had been held.

This came about as a result of a process of frank exchanges between the participants. The atmosphere was friendly, yet people were willing to put their differences out on the table. They listened to each other and, as a result of this, were able to develop common ground even though they may have started with differences.

Unlike the past, there will be a follow-on for this summit, and each of the countries will establish one or more individuals who will have the responsibility to follow up and make sure that the pledges which were made and the recommendations which had flowed from these meetings will be carried forward. I think this is a very important step.

Thirdly, I think it is important because it gave, for the first time, a number of the participants a chance to meet with each other and to establish a close personal working relationship. It was interesting to observe this and to see the closeness develop as the days went on. I think in this respect it was a great success, and overall I would evaluate it as a very useful and constructive set of meetings.

The Prime Minister covered a number of the questions which you've had with respect to the various pledges made and the individual items. But I'm sure you

have a number more, and Mike and I will divide up answering the questions. Mike will take primarily those dealing with the economic issues and trade. I will cover those dealing with the nuclear matters and with the North-South dialog.

So, who has the first question?

Q. Who will follow up for the United States?

QUESTIONS

GERMANY/BRAZIL NUCLEAR TRADE

Q. Mr. Secretary, I would like to know about the positions, precise positions about the deal between Germany and Brazil about the nuclear question. Could you elaborate this problem?

SECRETARY VANCE. That subject was just mentioned in passing. It did not come up as a subject for any real discussion. The subject matter was much broader than that in dealing with the nuclear issues.

Q. Who will follow up with the United States?

SECRETARY VANCE. Henry Owen, who is sitting right there and who is responsible for the preparation work insofar as the United States is concerned, will be the one who did that. I might say, incidentally, that another reason for the success of this summit, I think, is the excellence of the preparation work that was done by Henry and the others representing their various countries.

Q. How will that work exactly?

SECRETARY VANCE. The details have not yet been worked out.

Q. But there are counterparts for Mr. Owen?

SECRETARY VANCE. There are. Yes, indeed.

INTERNATIONAL MONETARY FUND

Q. When the communique speaks of additional resources for the IMF, is that beyond what the interim committee has

already agreed on, the \$10 billion to \$15 billion? Is there something more in mind?

Q. Question?

SECRETARY BLUMENTHAL. The question is whether or not the reference in the communique to the additional resources of the IMF refers to what the interim committee has already agreed on.

This refers first to the Witteveen facility and to the support of the countries there to making that a reality. Secondly, it refers to the support for increase, a further increase, a seventh increase in the quotas, which has to be decided by February of next year.

SUMMIT DECLARATION

Q. In Washington when we got a briefing about the summit, we were told that the issue of bribery, extortion, illicit payments would not be ready for discussion at this summit. How come we end up with it in the appendix?

SECRETARY BLUMENTHAL. This was a suggestion that was made by the United States, and the other countries agreed to it. Indeed, the actual language includes not only reference to trade but also to commerce and to banking, and it really reflects the view of all of the leaders there that that was an important issue and that we should collaborate together to stamp it out.

Q. At what point did you decide to bring it up? Before we left, according to the people who prepared the summit, it wasn't going to be brought up.

SECRETARY BLUMENTHAL. It was in the drafts that I saw.

Q. Mr. Secretary, to follow that, just what does the language of the appendix mean? What will follow here in relation to international trade, banking, and commerce? What are the practices you are talking about?

SECRETARY BLUMENTHAL. There are discussions going on to negotiate agree-

ments in the United Nations. We have before us in the Congress a legislative proposal to make bribery for Americans illegal. That would require collaboration with other governments, and certainly this language ought to make it possible to and somewhat easier to really put some teeth into that legislation.

NUCLEAR NONPROLIFERATION

Q. Mr. Secretary, at which level the primary analysis of the nuclear question is going to be conducted?

SECRETARY VANCE. Excuse me?

Q. At which level the analysis of the nuclear question is going to be conducted?

SECRETARY VANCE. Let me tell you what was agreed upon. It was agreed that there would be a study to be completed within 2 months with reports back to the members of the summit. That would encompass an analysis of what could be done in general terms to meet the problems raised in the nuclear field arising out of the danger of proliferation coming from the export of nuclear materials for purposes of energy. And it was further agreed that there would be the development of the terms of reference for a much longer study which would be involved with an evaluation of the international fuel cycle. And that study would take, I would say, probably a year or more to do, once the terms of reference are developed.

SUMMIT DECLARATION

Q. Mr. Secretary, could you tell us whether the language of the communique is meant to imply that all of the members now approve of a common fund for commodities stabilization?

SECRETARY VANCE. There was agreement that there should be a common fund. It is not *the* common fund, but *a* common fund.

Q. Is that the IRF idea?

SECRETARY VANCE. The idea is that there should be a common fund which would be related to commodity agreements which have been negotiated.

Q. A common fund of how much, Mr. Secretary?

SECRETARY BLUMENTHAL. None of the details have been worked out and are stated in the communique. The important decision that was taken here is represented by the agreement of all the heads of government there. On the notion that there shall be a common fund for stabilization of commodities, with buffer stocks, that the type of fund, how and where and what amounts, how it will function, that's something to be discussed and negotiated in the future. But there is an acceptance of the notion of a common fund idea.

INTERNATIONAL ECONOMY

Q. Mr. Blumenthal, I think it's lovely that you have agreed that you would promote economic growth and yet curb inflation simultaneously, but what specifically have you decided to do that would help you achieve that rather magnificent goal?

SECRETARY BLUMENTHAL. I think the significant thing about that statement is that the heads of government have agreed that having stated certain growth targets in some cases and certain stabilization targets in other cases, that they undertake a pledge, as Prime Minister Callaghan said, to do whatever is necessary to meet those targets. And they have also agreed that the meeting of those targets cannot, should not, be at the expense of inflation; that therefore, as each of them takes the necessary steps to meet the growth targets, it is understood by all of the others that they will not do so at the expense of inflation, and that they will fight against inflation; that these two things are closely related together and must be watched together. It's clearly left

to each individual country to develop its own internal policies and specifics.

Q. But how is that any different from any previous goals, either common or individually? Does it mean higher inflation and less growth?

SECRETARY BLUMENTHAL. I think as far as summit meetings are concerned, there is a difference in the sense that previously there were some general goals. But here there are not only targets, but there is a commitment to do what is necessary to meet these targets.

PRESIDENT'S INITIATIVES AT SUMMIT CONFERENCE

Q. Mr. Secretary, President Carter said he is bringing new initiatives to the summit conference. Could you be more specific as to what those initiatives were and the final results of them?

SECRETARY VANCE. Yes. There were a number of new initiatives. One of them is the study that I referred to a moment ago, which concerns an evaluation of the international fuel cycle. Secondly, were proposals relating to the special action fund. We reached general agreement that there should be a special action fund to take care of some of the developing countries in the greatest need and that each would contribute his adequate share to that particular fund.

The whole issue of irregular practices which Mike referred to a moment ago is another one of the new initiatives that was brought forward. Those are some examples.

Q. Just to follow up on that, Mr. Secretary, this special action fund to which you refer, is that mentioned in the appendix, and what exactly is it?

SECRETARY VANCE. It is not in those terms mentioned. It is something which will come up at the meetings which will be held in Paris at the end of this month, the North-South meetings which are

called the CIEC meetings. And what it is, is a fund which will be available to meet the needs of some of the poorest countries which are having balance of payments problems and specific needs of that kind. That, in general, is what the nature is.

Q. Outside the IMF?

SECRETARY VANCE. Yes, outside.

Q. Outside of the common fund as well?

SECRETARY BLUMENTHAL. Yes. That is unrelated to the common fund. May I just add one or two others in the area of special initiatives—of new initiatives.

I would think that one ought to add the decision in the trade area, that there has to be a new—of the heads of government—to pledge themselves to a new impetus in the trade negotiations, against the background of a rejection of protectionism and with the commitment to make substantial progress by the end of this year.

SALE OF NUCLEAR MATERIAL

Q. Mr. Secretary, you mentioned the 2-month nuclear study and the 1-year study to set terms of reference. Was there any agreement here that during that period, either the 2-month or the 1-year, that there would not be the sales of nuclear grade materials?

SECRETARY VANCE. No. No such agreement was reached at this time. Each country will take care of that decision which it will have to make according to its own views of the matter. The discussions of these issues will continue in the London suppliers group as they have in the past.

Now, I just want to correct one thing which you said. The 2-month study will be a study which will include recommendations with respect to the terms of reference. So, after that 2-month study, one should have the terms of reference. And then a decision as to how to proceed on

the actual study itself, which could last a year or more.

Q. Mr. Secretary, how would the nuclear suppliers be brought into the study, if at all?

SECRETARY VANCE. In the initial study, the 2-month study, the nuclear suppliers group as such will not be involved in it. As one moves on to international fuel cycle evaluation, then the London suppliers group and the individuals involved in it would undoubtedly become a part of that broader study.

INTERNATIONAL ECONOMY

Q. Mr. Secretary, would the special action fund be within the framework of any existing organization such as OECD, G-10, or something entirely new?

SECRETARY VANCE. That decision has not yet been made as to where it would be placed.

Q. Mr. Vance, how does your special action fund differ from the decisions made at the Washington Energy Conference in 1974?

SECRETARY VANCE. I can't answer that.

Q. Can Mr. Blumenthal?

SECRETARY BLUMENTHAL. No, I really can't. I do not know what happened with that conference with regard to the special fund.

Q. Mr. Blumenthal, most of the countries involved here have not been able to fight inflation and reduce unemployment in the recent past. Now, apart from saying that they're going to do it now, what is it that they have done here that's going to enable them to do it then?

SECRETARY BLUMENTHAL. Well, I can only repeat again that what I think is significant is that the countries have agreed that they will do what is necessary to meet their growth targets. Meeting their growth targets and, at the same time, meeting the stabilization targets for those countries who have been deficit countries

in the past will improve the international economic environment. It will create additional volumes of trade. Certainly, the stabilization programs will reduce inflation. And through this improved international environment, and through the commitment to meet those targets, the overall situation is likely to be improved.

There was no effort on the part of the heads of government to find a solution, to find the formula for dealing with inflation and for dealing with unemployment in their individual countries. There was an effort to see how they could work together in order to make that situation for each of them better.

FOREIGN TRADE

Q. Mr. Secretary, with respect to your rejection of protectionism, you still reserve the right to avoid significant market disruption. If any country can characterize its problem as significant market disruptions, wouldn't protectionism still grow under that flag?

SECRETARY BLUMENTHAL. I don't really think so. We interpret that as a reference, and it's generally interpreted as a reference to the existing arrangements that now exist and the rights that exist under the GATT for countries who face particular problems of disruption, to get some relief, sometimes for temporary periods of time. The GATT has specific provisions for that. And this particular paragraph merely calls attention to the fact that as further liberalization takes place, these rights, of course, are not affected by them.

Q. Mr. Secretary, what is the difference between the part of the communique emphasizing the readiness of the heads of government to meet the targets they have set themselves in sovereignty between that old practice in the OECD to have representatives talk in various groups about targets and establishing when the govern-

ments are to meet those targets? I don't see a difference. How do you see the difference?

SECRETARY BLUMENTHAL. In the past, countries have indicated what it is that they hope to do. In this particular instance, the heads of government have not only indicated what it is that they hope to do but they have given a pledge that they will, if they fail, fall short of it, take the necessary measures to make sure that they achieve their targets.

CONFERENCE ACCOMPLISHMENTS

Q. Mr. Secretary, given what you have said here today, and Secretary Vance as well, just how disappointed is the American delegation that something substantial is not accomplished? [*Laughter*] Seriously, how disappointed are you?

SECRETARY BLUMENTHAL. We are not at all disappointed. We are quite pleased, because we believe that very substantial results have been accomplished. There have been a number of specific things that have been done in the area of setting targets and the commitment that they will be met, in the commitment of all of us to strengthen international institutions, both the IMF and the World Bank, in the decision to give a real impetus to the trade negotiations which have been stalled for some time, in finding a solution to the nuclear problem to which Secretary Vance has referred, in the decision to collaborate and take some specific steps in the North-South dialog, and to resolve to make the CIEC ministerial meetings and these discussions a success, in the matter of illicit payments, and a variety of other ways. We think that kind of complete agreement, the way in which the leaders got to know each other, that they worked out these problems, represents a considerable success. But perhaps Secretary Vance would like to add to that further.

SECRETARY VANCE. No.

Q. Is that good intentions only, then?

SECRETARY VANCE. No, I don't think it's good intentions only, at all. These declarations were reached, and as I indicated earlier, these are not simply pious words; they are going to be followed up on. Plans are to be developed and will be carried out. We'll be seeing the results of the actions with respect to the North-South issues to which both Mike and I have referred in the CIEC meeting which will come up at the end of this month. Insofar as the illicit payments are concerned, the fact that this declaration is made, I think, is going to have a very important effect on the action that has been going forward in the United Nations to try and complete the study in that particular area. It will give impetus and strength to it. And I could go on through many of the other issues. Yes.

Q. There was a great deal of discussion of the communique from the various leaders about how they had influenced each other, and the President said that he had learned a great deal. Does that mean that any of his views that he had before coming into this session on these various matters were modified or changed?

SECRETARY VANCE. Yes. I think that that was not only true of the President but of all of the participants. They really did listen to each other and learned from the listening process.

Q. Can you give us some examples of how the President's view may have been changed, for instance, on the nuclear issue, if it were modified at all there?

SECRETARY VANCE. On the nuclear issue, I think that this was primarily one in which we were trying to explain what our suggestion was about. And in the process of doing that, there was a full exchange which, I think, sharpened the view of all of us with respect to the problems of the other nations who are not quite as fortunate as we are in terms of

the resources which we have. And in that sense, I think it was useful to us.

I think they also learned from the process, and therefore, we were very much encouraged when they were willing to agree to go forward with these studies to which I have referred.

Q. Does this year or more of study of the nuclear problem, Mr. Secretary, represent a retreat from President Carter's position on the nuclear proliferation?

SECRETARY VANCE. Not at all, no. This is wholly consistent with it. This is what he has proposed before.

Q. What's the policy going to be on export of enriched uranium during that year or year and a half?

SECRETARY VANCE. You say you've got copies in the room?

MR. POWELL. The statements of the President's policy that were delivered 2 weeks ago are available in the back of the room for anyone who wants them.

SECRETARY VANCE. Did you get the answer to that?

Q. I was asking you what the policy is going to be.

SECRETARY VANCE. It's laid out in some detail. It's rather long and complicated. There are two or three sheets in the back of the room on it.

UNDERDEVELOPED COUNTRIES

Q. The common fund will be invited to join in aid for the underdeveloped countries. Which form will this invitation have?

SECRETARY VANCE. I think the public announcement of this is the form which it will take.

JAPAN

Q. Mr. Secretary, there's a notable lack of reference to Japan's involvement in tri-lateral issues. Could you please explain how Japan was involved in the discussions and also whether or not it was talked

about—Japan's trade surplus with the European countries?

SECRETARY VANCE. Japan was intimately involved in all of the discussions. There was a free-flowing discussion between the heads of state which flowed back and forth, the Japanese participated very actively and in a very constructive way during these discussions. The question which you specifically referred to did come up as one of the items in the discussion.

Q. How was it resolved?

Q. Mr. Secretary?

SECRETARY VANCE. Yes.

HUMAN RIGHTS

Q. The other day Secretary Blumenthal was talking to us about the human rights issue, said that the leaders universally praised President Carter's position. And Mr. Callaghan tonight indicated the same thing. The German sources are saying that during the conversations, while praising President Carter's position, Chancellor Schmidt pointed out that continuation of a too-vocal human rights policy might deter the ability of the Germans to get Germans out of Eastern countries. Did Chancellor Schmidt make such a statement during the meeting?

SECRETARY VANCE. He did make such a statement during the meeting. I don't want to go into details on what individuals said, but that was one of the issues which was raised in general terms, that some countries had different problems with respect to how they would handle it—but not with the basic principle. There was no difference at all with respect to the basic principle.

FOREIGN TRADE

Q. Do you believe—

SECRETARY VANCE. I can't hear you.

Q. Do you agree with the idea of organizing free trade and do you think—

SECRETARY VANCE. I still can't hear all of the questions.

Q. Do you agree with the idea of organizing free trade, and to which extent do you think it can be organized?

Q. Free trade, as the French have suggested?

SECRETARY VANCE. Did you get that, Mike?

SECRETARY BLUMENTHAL. I think I got the question. I hope I understand the significance of it. [*Laughter*]

Yes, we do agree that indeed we are happy with the conclusion that comes out of this meeting, which rejects protectionism and therefore, by implication and also very explicitly, comes down in favor of negotiating and having a new impetus, so that this year there will be a lot of progress toward a rapid conclusion of a negotiation which will represent freer trade.

We certainly believe that it can be done. There was reference to the fact that there are structural changes in the world economy that have to be taken into account.

We welcome that because it will allow all of us in the context of the trade negotiations to take into account not only tariff problems but also non-tariff barrier problems and agricultural problems, internal taxation, subsidies, the many matters that exist in the world of trade that have to be dealt with if freer trade, which we desire and which we all want to achieve, is to be brought about.

THE MIDDLE EAST

Q. Mr. Secretary, how do you see tomorrow's meeting with President Asad of Syria and your coming meeting with Mr. Allon?

SECRETARY VANCE. How do I feel?

Q. How do you see the coming meeting with President Asad of Syria and your meeting with Mr. Allon of Israel?

SECRETARY VANCE. The question was: How do I see the forthcoming meeting with President Asad, which we will have tomorrow, and also my meeting with Foreign Minister Allon?

The President and I are looking forward very much to our meeting with President Asad. He is one of the key figures, of course, in the Middle East and in the solving of the Middle East question. We have had the opportunity to meet with most of the other Arab leaders, but this will be our first meeting with him, at least the President's first meeting with him.

His views are going to be extremely important in the development of our final views with respect to the proposals which we may choose to make in connection with the settlement of the Middle East question.

I met with Foreign Minister Allon on my last Middle East trip. A good deal has happened since that time, and we have had these meetings with the other Arab leaders during that period. Therefore, I thought it was time for us to meet again, where I could review with him what had come out of the conversations with the other Arab leaders and get the latest thinking of the Israelis on the Middle East question.

Q. Mr. Secretary?

JAPAN

SECRETARY VANCE. One or two more questions.

Q. Excuse me; one followup. You did mention the trade surplus of Japan to the European Economic Community, but was it resolved? Did Japan make any overtures at reducing trade surplus and help in these economic deficits in Europe?

SECRETARY BLUMENTHAL. Japan, along with the other countries, committed itself to meet its growth targets and to meet its targets that had previously stated. And it did accept the notion that the strong countries must make a particular effort so that the surpluses in the world can be taken care of. So, in that sense, the Japanese took full cognizance of their position and promised to act accordingly.

SECRETARY VANCE. One final question.

FOREIGN NUCLEAR SALES

Q. Is the United States willing to modify its nuclear policy if the result of the 2-month study should request, and especially in terms of the condition, or requirement, of the approval for doing the reprocessing in foreign countries—or do you know if the United States expects to store the nuclear waste inside the United States in the future?

SECRETARY VANCE. The 2-month study will be a preliminary analysis, as I indicated, which will develop the terms of reference for the longer study which will go into the kinds of question which you are talking about. Of course, what comes out of that will be very important, not only to the United States in determining what its policy should be in the future, but to all the other participants who will be involved in it.

Thanks very much.

NOTE: The news conference began at 8:20 p.m. in the press center at the Churchill Hotel, London.

Social Security System

Message to the Congress. May 9, 1977

To the Congress of the United States:

The Social Security system affects the lives of more Americans than almost any

other function of government. More than 33 million people currently receive benefits. Another 104 million people are making contributions with the expectation that they will receive benefits when they retire or become disabled, or when their survivors need help.

Today, the Board of Trustees of the Social Security Trust Funds is submitting its 1977 report to the Congress. The report tells us that the system critically needs financial support in the short term. The high unemployment of recent years has curtailed Social Security's revenues, while benefits have risen with inflation. Since 1975 expenditures have exceeded income; and existing reserves will soon be exhausted.

Unless we act now, the Disability Insurance Trust (DI) Fund will be exhausted in 1979 and the Old Age and Survivors Insurance (OASI) Trust Fund will run out in 1983.

The Trustees' Report indicates that there are serious longer term problems as well. Under current law the Social Security system will have an estimated deficit of 8.2 percent of taxable payroll over the next seventy-five years. About half of this deficit is due to changes in the projected composition of our population over those years. Higher life expectancy and lower birthrates will make the nation older as a whole. About half is due to a technical flaw in the automatic cost of living formula adopted in 1972.

While campaigning for President, I stressed my commitment to restore the financial integrity of the Social Security system. I pledged I would do my best to avoid increases above those already scheduled in tax rates, which fall most heavily on moderate and lower-income workers. I also promised to correct the technical flaw in the system which exaggerates the adjustment for inflation, and to do so

without reducing the relative value of retirement benefits as compared with pre-retirement earnings.

I am announcing today a set of proposals which meet those commitments and which solve both the short-term and long-term problems in the Social Security system through the end of the twentieth century. These proposals are designed to:

- Prevent the default of the trust funds now predicted to occur.
- Bring income and expenses into balance in 1978 and keep them that way through the end of the century.
- Create sufficient reserves to protect the system against sudden declines in revenue caused by unemployment or other economic uncertainties.
- Protect the system's integrity beyond the turn of the century to the extent we can predict what will happen in the next 75 years.
- Provide for an orderly review and examination of the system's basic structure.

My proposals are the result of a number of hard choices. I am convinced that action is needed now, and that these steps will restore the financial integrity of the Social Security system.

I will ask the Congress to take the following specific actions:

1. Compensate the Social Security trust funds from general revenues for a share of revenues lost during severe recessions. General revenues would be used in a countercyclical fashion to replace the payroll tax receipts lost as a result of that portion of unemployment in excess of six percent. General revenues would be used *only* in these carefully limited situations. Because this is an innovative measure, the legislation we submit will provide this feature only through 1982. The next Social Security Advisory Council will be asked

to review this countercyclical mechanism to determine whether it should be made permanent.

2. Remove the wage-base ceiling for employers. Under present law employers and employees pay a tax only on the first \$16,500 in wages. Under this proposal the employer ceiling would be raised over a three-year period, so that by 1981 the ceiling would be removed. This action will provide a significant source of revenue without increasing long-term benefit liabilities.

3. Increase the wage base subject to the employee tax by \$600 in 1979, 1981, 1983, and 1985, beyond the automatic increases in current law. This will provide a progressive source of financing.

4. Shift revenues from the Hospital Insurance Trust Fund to the Old Age, Survivors, and Disability Trust Funds. In part, this shift will be made possible because of substantial savings to the Medicare system from the hospital cost containment legislation that I have proposed.

5. Increase the tax rate on the self-employed from 7 percent to 7.5 percent. This will restore the historical relationship between the OASI and the DI rates paid by the self-employed to one and one-half times that paid by employees.

6. Correct certain technical provisions of the Social Security Act which differentiate on the basis of sex. This will include a new eligibility test for dependent benefits. Recent Supreme Court decisions would result in unfinanced increases in the cost of the system and some inequities without this change.

These six steps, along with measures already contained in existing law, will eliminate the short-term financing problem and improve the overall equity of the Social Security system.

In order to guarantee the financial integrity of the system into the next cen-

tury, two additional steps must be taken. I will be asking the Congress to:

1. Modify the Social Security benefit formula to eliminate the inflation over-adjustment now in law. This modification, known as "decoupling," should be done in a way that maintains the current ratio of retirement benefits to preretirement wages.

2. Adjust the timing of a tax rate increase already contained in current law. The one percent tax rate increase presently scheduled for the year 2011 would be moved forward so that .25 percent would occur in 1985 and the remainder in 1990.

Taken together, the actions I am recommending today will eliminate the Social Security deficit for the remainder of this century. They will reduce the estimated 75-year deficit from the Trustee Report forecast of 8.2 percent of payroll to a manageable 1.9 percent.

Prompt enactment of the measure I have recommended will provide the Social Security system with financial stability. This is an overriding immediate objective.

In addition, I am instructing the Secretary of Health, Education and Welfare to appoint the independent Social Security Advisory Council required by law to meet each four years. I will ask the Council to conduct a thorough reexamination of the structure of the system, the adequacy of its benefits, the effectiveness and equity of disability definitions, and the efficiency and responsiveness of its administration. Their report, which will be issued within the next two years, will provide the basis for further improvements.

I call upon the Congress to act favorably on these major reform initiatives.

JIMMY CARTER

The White House,
May 9, 1977.

Thirtieth World Health Assembly

Message to the Assembly. May 5, 1977

To the President and Members of the Thirtieth World Health Assembly, Geneva, Switzerland

I want to commend the outstanding work of the World Health Organization, under the leadership of Dr. Halfdan Mahler. Public health has been a particular concern of mine for many years. My mother is a nurse, and my wife is deeply committed to improving health services.

During my lifetime, science and technology have brought under control a number of diseases that once weakened, crippled, or killed people throughout my home state of Georgia.

But many parasitic and infectious diseases remain, even in a country such as ours. In some areas of the southeastern United States, more than 25 percent of the children suffer from intestinal parasites.

The situation is far worse, of course, in countries which have not yet reached the technical and scientific levels made possible by our abundance of natural resources. In the developing countries of Asia, Africa, Latin America and the Middle East, some two billion people live with the constant threat of malaria, schistosomiasis, leprosy, measles, yaws, and other terrible diseases.

Malnutrition and high population growth rates complicate the problems of health care—and the chief sufferers are children.

In Upper Volta, to pick one tragic example from the many, mortality among children under five is close to 50 percent.

These questions affect us all, since increased international travel hastens the spread of disease throughout the world. But a greater degree of cooperation be-

tween scholars and scientists of all nations can slow that spread, and even wipe out certain diseases altogether. Smallpox, for example, is almost eradicated except for Somalia.

In my speech to the United Nations General Assembly several weeks ago, I emphasized our commitment to basic human rights. These include the right of every human being to be free from unnecessary disease.

To work toward that right, we will offer to share our medical know-how with all nations, regardless of politics or ideology. We will work together to control disease, improve nutrition, and raise the quality and productivity of life throughout the world.

The United States is ready to help develop a truly international program to identify and report epidemic and endemic diseases. We will work with the World Health Organization, as well as with individual countries, in a global effort to give early warning of impending disease outbreaks.

The gap in health and productivity between developed and developing nations is bound to increase political and social instability in the world.

In some measure this gap is due to unequal distribution and consumption of food, energy, and water. We know the economic and social consequences to other nations of our own waste of non-renewable energy resources, and we are determined to correct the situation.

We also know that health and economic development are closely linked. The child with malaria often misses school. The anemic worker, with a parasitic infection, is less productive than he should be. We need to pursue programs which break this cycle of poverty, disease and hunger.

When I return to the United States, I will strive personally to find ways in which

our government and the private sector can better cooperate with other nations on health, population and nutritional needs.

The United States supports the World Health Organization's expanded immunization program. My country has pioneered in the development of polio and measles vaccine, and will continue to support vaccine research.

My country also supports the bold and innovative new program of research in tropical diseases being developed in cooperation with the World Health Organization. These efforts will bring us closer to our goal: a world in which all people can live free from fear of crippling and debilitating diseases.

The preamble of the World Health Organization's constitution says, "The enjoyment of the highest attainable standard of health is one of the fundamental rights of every human being."

The United States will do its best to bring that right within the reach of all.

JIMMY CARTER

NOTE: The text of the message was released on May 9.

Dr. Peter G. Bourne, Special Assistant to the President for Health Issues, delivered the message to Dr. Sione Tapa, President of the World Health Assembly, in Geneva, Switzerland, on May 9, and Dr. Tapa presented the message to the Assembly on the same day.

Four Power Summit Meeting

Joint Declaration on Berlin. May 9, 1977

The four heads of state and of government of France, the United States, the United Kingdom and the FRG have reviewed questions relating to the situation in Germany and particularly Berlin.

The four governments expressed their satisfaction at the positive effect which

the Quadripartite Agreement of 3 September 1971 has had on the situation in and around Berlin. They agreed that the strict observance and full implementation of the Agreement, which are indispensable to the continued improvement of the situation, are essential to the strengthening of détente, the maintenance of security and the development of cooperation throughout Europe. The governments of France, the United States and the United Kingdom noted that détente would be seriously threatened if any one of the four signatory powers to the Quadripartite Agreement were not to respect fully the undertakings confirmed by the signatory powers in the Agreement and in the Quadripartite Declaration of November 1972.

The three Powers recalled that the Quadripartite Agreement was based explicitly on the fact that quadripartite rights and responsibilities and the corresponding wartime and post-war four Power agreements and decisions were not affected. They reaffirmed that this status of the special area of Berlin could not be modified unilaterally. The three Powers will continue to reject all attempts to put in question the rights and responsibilities which France, the United States, the United Kingdom and the Soviet Union retain relating to Germany as a whole and to all four sectors of Berlin.

The four governments recalled that one of the essential elements in the Quadripartite Agreement is the affirmation that the ties between the Western Sectors of Berlin and the FRG should be maintained and developed in accordance with the relevant provisions of the Agreement. This conforms with the interests and wishes of the people directly concerned. In this regard, the three Powers took special note of efforts by the Federal Republic of Germany, taking into account the provisions of the Quadripartite Agree-

ment relevant to its responsibilities for representing the interests of the Western Sectors of Berlin abroad, to enable the Western Sectors of Berlin to profit from the practical benefits of East-West relations.

The four governments pledged their cooperation in maintaining a political situation conducive to the vitality and prosperity of the Western Sectors of Berlin. The three Powers expressed their appreciation of the efforts of the Federal Republic of Germany and the Senat of Berlin to ensure that the Western Sectors remain an attractive place in which to invest and to work. They reaffirmed their commitment to the city's security, which is an indispensable prerequisite for its economic and social development.

NOTE: The Four Power summit meeting was held at 10 a.m. at 10 Downing Street, London. Participants were: President Carter, Valéry Giscard d'Estaing, President of the Republic of France, Helmut Schmidt, Chancellor of the Federal Republic of Germany, and James Callaghan, Prime Minister and First Lord of the Treasury of the United Kingdom of Great Britain and Northern Ireland.

The text of the declaration was released at Geneva, Switzerland.

Geneva, Switzerland

Remarks Upon Arrival at Cointrin International Airport. May 9, 1977

First of all, I would like to say that I am very delighted and proud to come for the first time to the beautiful country of Switzerland.

Because of the deep commitment of the Swiss people over many generations, and even centuries, to basic human freedoms, to the pure and idealistic aspirations of humankind, and because of the historical independence and insistence upon the

principles of peace, all the nations of the world have looked upon Geneva and Switzerland as a place to dispel differences and to eliminate hatred and to search for a better common ground on which we can get along well with one another.

I come here today from a meeting concerning economics and the future of the people of our world as we seek a full employment and a more stable life and a more equal balance of prosperity. I am meeting here today with one of the great leaders in the Middle East, President Asad of Syria. We feel that 1977 might be a good year to move forward toward permanent peace in that troubled region of the world.

No one can think of a better place to meet and to explore possibilities than this beautiful city of Geneva. My first memory of Geneva was as the homeland for the search for permanent peace, which didn't last, in the League of Nations, and as a birthplace of the Red Cross, and now as a center for the common effort in the European theater for a mutual search for understanding and peace.

So, it's with a great deal of hope and pleasure that I come to this beautiful country. And I hope that later on this year we might come back to find a resolution of differences that have separated one nation from another and one people from another for many, many years in the eastern Mediterranean area.

I want to thank these officials behind me for having made me feel welcome. Although my visit will be brief, I hope to acquire here a better understanding of the problems with which we might deal later on this year. And I believe that the natural inclination of the Swiss people and the atmosphere and influence of Geneva will be conducive to major progress built upon this visit.

Thank you very much for letting me come. I look forward to this brief visit with a great deal of anticipation and pleasure and thanksgiving.

Thank you very much.

NOTE: The President spoke at 2:35 p.m. He was greeted by Albert Weitnauer, Secretary General of the Department of Foreign Affairs, and other Swiss officials.

Meeting With President Hafiz al-Asad of Syria

**Remarks of the President and President
Asad Prior to Their Meeting. May 9, 1977**

PRESIDENT CARTER. It's with a great deal of pleasure and hope that I come to Geneva to meet with the great President of Syria, President Asad. As a leader of one of the great countries in the Middle East, I look to him for guidance and advice and for support as all of us search for progress in achieving peace in that important and troubled part of the world.

President Asad has a great role to play because of his experience, the greatness of his country, his interest in and sensitivity about world affairs outside his region, and because of his ability to bring together different peoples who in the past have been unfriendly toward one another and at odds.

This is a year when we are blessed with strong and moderate leaders in the Middle Eastern region. I believe that it is a year of hope for substantial progress, but it can only be achieved with close consultation, open minds, and a determination to succeed in spite of very difficult obstacles. I have already met with the leaders of Israel and Egypt and Jordan, and this meeting with President Asad will help me to understand the common agreements that exist and the potentials

for the resolution of differences that still remain.

The good will of President Asad has already been demonstrated. For many years he has been a strong supporter in the search for peace, working closely with my predecessors in the White House and with Secretary Kissinger and others, as efforts have been made.

We have no regional role to play in this year's deliberations, but we hope to act as an intermediary who can have influence only to the extent that the other nations trust us to be fair, to be objective, to be truthful, to be determined.

Following my own meetings with these great leaders, we will ask our own Secretary of State, Cyrus Vance, to visit the Middle Eastern region again to consult more closely with the nations involved in future deliberations. And I believe that if I can learn from President Asad today, that that will be another major step toward the progress that we all hope to see.

There must be fairness; there must be some flexibility; there must be a forgetting about past differences and misunderstandings; there must be determination; there must be a resolution of the Palestine problem and a homeland for the Palestinians; there must be some resolution of border disputes; and there also must be an assurance of permanent and real peace with guarantees for the future security of these countries, which all can trust. We will add our good offices, as requested, but I am very much aware that the agreement can only be permanent and can only be initiated if the parties who live there reach an understanding with one another.

I want to express my deep thanks to President Asad for being willing to come to Geneva to meet with me, and I will try to capitalize on the close friendship which he and I have already established. And I believe that the discussions will be fruitful because of his good will, his experience,

his knowledge, his sensitivity, and his graciousness in meeting me here.

So, thank you again, President Asad. I hope that this day's deliberations will be a contribution to peace in the Middle East which can help to guarantee peace and prosperity throughout the whole world.

Thank you, sir.

PRESIDENT ASAD. Before I read the prepared short statement, I would like to express my thanks and appreciation to President Carter for his warm expressions which he has kindly offered, and also to thank him for his untiring, persistent efforts which he manifested towards reaching, achieving peace in the area which he has manifested since he took office.

In spite of the difficulties which we have encountered in the past and which will obviously exist to some extent in our search for peace and for a solution of the problems in the Middle East, I must say, in spite of all this, that taken in their totality, the expressions of President Carter on the subject have created an atmosphere of faith and an encouraging atmosphere of optimism.

And as I said at the airport in Geneva yesterday on arrival, I believe that the target which President Carter has in mind, the target which we have in mind, namely, the resolution of the problem and the achievement of peace in the area, is a noble target, is of such a nobility as a target that it should be the goal of everybody in the world who loves peace. And as long as we hold tenaciously to some moral values, as long as we do that, we are bound to strive very hard for the achievement of justice and the solution of causes all around the world, causes that are worthy, and of course, we mentioned foremost among these the cause that we are engaged in, trying to seek a solution for in our area.

And as long as leaders of principle meet together to discuss these pernicious, difficult, complicated problems—foremost among which is that of the Middle East—as long as these leaders, with that moral courage, can meet together, so much more would we be armed with the possibilities of finding a just and lasting solution.

Although it is not always wise or useful to prejudge things and be ahead of events, I would like to express myself right now—although the meeting between President Carter and myself is still at its first flush, so to speak, the first few minutes—I would like to say, nevertheless, and take the risk in saying it, that we are greatly optimistic.

This does not mean the solution of the problem has become axiomatic, nor do we mean that there is, or there suddenly has appeared, a magic wand to solve the problem. But what it does prove is that obviously there is the will to look for a solution, a solution which is just and lasting.

The recent statement of the President—you know that as a result of contacts that have taken place between the Syrian Arab Republic and the United States of America, it has been agreed that President Carter and myself would meet today. This is the first time we meet. After a few minutes, we shall begin our talks at the hotel, and shortly we shall discuss the main subject, which is of interest to all, namely, how to move towards a just peace in the Middle East.

Again, I would thank President Carter for his coming to Geneva for this meeting.

Regarding the achievement of a just peace in the Middle East, our opinion, which we have always declared, is that a grave situation threatening international peace and security exists in our region.

This situation arises from the continued occupation of the Arab territories which Israel seized by force in 1967, as well as

from Israel's denial of the legitimate recognition of various of the Arab people of Palestine. The fact that this occupation and the homelessness of an entire people continue inevitably means the prolongation of a grave situation that threatens to renew the wars and tragedies from which our region has suffered for 30 years.

We in Syria have repeatedly stressed our determination to continue to work with full facility in order to make our region enjoy the peace which it needs. This peace would serve not only the interests of our region but those of the world at large. We welcome any sincere effort that may help establish a just peace in our region and believe that the sincere efforts which the United States of America can exert in this field are basic and important.

As you know, President Carter has started a series of talks with a number of Arab leaders aimed to know at first hand the facts of the situation in order to promulgate an American stand and, as a number of American officials have declared, in order to use the great influence of the United States to help find a solution based on justice for the existing conflict in the Middle East.

My meeting with President Carter today is within this context. I sincerely hope that our talks will enhance opportunities of peace, will throw light on the justice of our cause, and will pave the way with clear ideas for the holding of the Geneva conference, which, as is generally agreed, provides a suitable framework for the implementation of the resolutions on the Middle East of the United Nations Security Council and the United Nations General Assembly.

We shall spend 3 days in Switzerland, during which I shall visit Bern at the invitation of President Furgler, who has kindly come to Geneva and to whom I

have paid a courtesy call this morning. We are happy to be in Switzerland.

Finally, I wish to thank again President Carter and hope that we will meet success in our effort.

PRESIDENT CARTER. Although President Asad and I have only been together for a few minutes, we've reached a very important agreement in this brief time.

We've noticed that at the end of each day's deliberations, that those who travel with us can visit the local night spots and have a great deal of pleasure. We've also noticed that when we get off the elevator, everyone else enters the room, we have to come in last.

We've noticed that when we are having a very congenial conversation that protocol officers order us as to what we should do next. And when we finish our major success or failure, we report to the ultimate masters—the press. We've also noticed that our Foreign Ministers travel frequently to delightful places in the world and enjoy the hospitality of friendly countries. So, President Asad and I have agreed to begin a movement to establish for the first time, human rights for Presidents. [*Laughter*]

NOTE: President Carter spoke at 3:25 p.m. in the Grand Ballroom at the Intercontinental Hotel in Geneva, Switzerland. President Asad spoke in Arabic, and his remarks were translated by an interpreter.

Meeting With President Asad of Syria

*Toasts of the President and President Asad at a Dinner Hosted by President Carter.
May 9, 1977*

PRESIDENT CARTER. Many of the American leaders who have been to Syria to meet with President Asad, and who have

also met with many other leaders around the world, have almost always come back to report that he is one of their favorite leaders of all the world; that he's brilliant, also a very enjoyable companion, very frank, and very helpful in the discussions. Although I don't agree with everything that my predecessors have reported, this is one occasion when I agree completely.

Although he's quite modest, I've discovered that he speaks English very well and also reads the finest American literature. He's about halfway through reading "Why Not the Best?" [*Laughter*]

He and I have compared our backgrounds. He comes from the same type farm community where I grew up, and we've just discovered that we were whipped quite often by the same stern but fair fathers. We also agreed that the whippings didn't hurt us much since we both became Presidents of our country.

I believe that this visit in Geneva, which President Asad was kind enough to help arrange, can possibly be a milestone in the world's search for peace. Because of President Asad's personal strength and his intimate knowledge of the Middle Eastern region and its history and background, he has helped me a great deal to understand. And the unique role that Syria can play in this year's search for agreement is valued by all those who have studied this very difficult question. His willingness to reach out to other people has been demonstrated by the trust which the Palestinians have placed in him, by his sacrificial effort to bring peace to Lebanon, and by his effort to bring about a closer relationship with his neighbors, particularly in Jordan.

We realize that this year's deliberations will not be easy ones, but we will not be deflected from our effort to reach agreements by slogans which no longer apply

and by ancient wounds which all of us are trying to help be cured and forgotten.

The prospect for peace and harmony, prosperity and trade, mutual understanding and increased world leadership is an inspiration to all parties involved to search equally for a resolution of differences.

I'm especially grateful that our own Nation's relationships with Syria are being strengthened with every passing week. We have just completed a treaty on cultural exchange, and shortly in the future, our airline service will begin between Syria and the United States with Syria's only passenger airline.

I have great confidence in the constructive attitude and the contribution which President Asad can bring to the difficult negotiations this year. And on behalf of the people of the United States, Mr. President, I would like to propose a toast to the greatness of Syria and to their own great leader, President Asad.

My new friend.

No broken glasses? [*Laughter*] That's good luck, a good omen.

PRESIDENT ASAD. Once more I have to say that the cordial atmosphere in which we have lived since the first minute we have met makes us be hopeful in the future. There is no doubt that I have, myself, as well as the members of the Syrian delegation, realized that President Carter is seeking what is good, what is just, and wants the United States to play a constructive role in the solution of the Middle East problem.

After the meeting now, I talked with members of the Syrian delegation in this sense, and we agreed on the same conclusions.

It is a cause of confidence if there were in the world many leaders who are seeking the good of humanity. And it is our task to work for the good of humanity, once we are convinced that the road on

which we go serves justice, serves the good of humanity.

Mr. President, in my name and in the name of members of the Syrian-Arab delegation, I thank you for the invitation to dinner and for the kind remarks we have just heard. I am happy we are having this meeting, which has provided the first occasion for personal contact between us and has provided me with the opportunity to know you personally, firsthand, after having become acquainted with you as well as possible through your stance and statements.

We have come to Geneva prompted by the sincere desire to make of this meeting, through our common efforts, a landmark in the history of relations between the Syrian Arab Republic and the United States of America and to realize the main objective of this meeting—that of working assiduously in order to establish a just peace in the Middle East. This objective both you and we have, on several occasions, expressed the wish to see achieved.

You are aware of the extent to which bilateral relations between our two countries have been influenced by the Middle East conflict, passing through low-ebb phases, due to our feeling that the American attitude toward our cause was incompatible with the American responsibilities as we see them. And this, unfortunately, has had an influence on the interests of the Arab and the American missions.

We consider our talks today a joint effort aimed to remedy the situation that has caused a misstatement from which relations between our two countries have suffered. We hope that this effort will produce results promoting the good of our peoples and serving the cause of the establishment of a just peace in the Middle East.

I believe that you agree with me that the outcome of the phase which we have

started today depends on continuing efforts to be exerted after reaching the conviction that peace in the Middle East can be established only on the basis of justice, and that the continued occupation of the Arab territories and the denial of the rights of the Palestinian people are completely opposed to justice.

There are those who believe that time, aided by considerations of violence and various forms of coercion, can solve problems of the conflict in accordance with their viewpoints and aspirations, though these may be illegitimate. I have no doubt that they are mistaken and that they act in accordance with a wrong, destructive urge.

I have an unshakable belief that the rights of peoples cannot and should not be obliterated by the passage of time. It is vain that man should build his happiness at the expense of the happiness of others and that he should believe that such happiness could continue while he persists in the destruction of the happiness and existence of others. Of course, events will not happen isolated from the will and efforts of man, but I presume that the will of man is one of good, one of justice and fruitfulness, and that the efforts of man are exerted in order to fulfill his will.

What we, the Arabs, seek with consistency, is to arrive at a just peace on the basis of the resolutions of the United Nations. We believe that the United States, as a big power, as a permanent member of the Security Council and a cochairman of the Geneva conference, can play a major and effective role towards contributing to the achievement of this goal to which all those who sincerely believe in the cause of a just peace aspire.

The United States efforts can help fundamentally in making the march to peace obtain its desired objective. What

makes us hopeful that the United States will play its full role in this field is that you, Mr. President, have repeatedly stressed the importance you attach to ethical principles. What is based on these principles and ideals would surely lead to justice and would constitute a sound basis for lasting peace.

Permit me to quote here what I told my people and the world on October 6, 1973—not to record the word, not to remind of the war, but merely to repeat the meaning of what I said that day and to assert that we lived the meaning of these words while we were fighting the war: “We are not lovers of killing and destruction, but we defend ourselves against killing and destruction. We are not aggressors, and have never been. But we have defended and are still defending ourselves against aggression. We do not want anyone to die, but we defend our people against this. We love freedom and want it for ourselves, as well as for others. And we are on the defense so that our people may enjoy freedom. We are advocates of peace. We endeavor to secure peace to our people and to all peoples of the world. We defend ourselves in order to live in peace.”

Mr. President, peace is a noble aim and the precious objective worthy to be served by sincere exertions. Let us exert joint efforts to achieve this objective.

Again, I thank President Carter, and I propose a toast to the health of President Carter and to the prosperity of the American people. I want to propose a toast to our first meeting.

PRESIDENT CARTER. Many more in the future, I hope.

NOTE: President Carter spoke at 8:15 p.m. in Le Carnaval Room at the Intercontinental Hotel. President Asad spoke in Arabic, and his remarks were translated by an interpreter.

Following the dinner, President Carter returned to London.

Meeting With Prime Minister Süleyman Demirel of Turkey

Remarks to Reporters Following the Meeting. May 10, 1977

THE PRIME MINISTER. I have visited with the President, and we have discussed our bilateral relations. I have expressed my deep concern to the President. It was a very useful meeting.

Thank you.

THE PRESIDENT. Well, I've outlined to the Prime Minister how important the relationships with Turkey have always been to us, how in times of crisis we've always been staunch friends of one another. The alliance with Turkey is crucial to the security of Europe and to our own national future.

We are very proud of the progress that is being made in providing a higher authority for military sales to Turkey. We just recommended to the Congress that this be increased from \$125 million to \$175 million. I have every expectation that the Congress will act quickly to increase this demonstration of mutual friendship between our two countries.

We face the future with confidence that the other differences can be ironed out, and my meeting this morning has been of great benefit to me when the position of Turkey was explained very forcefully by the Prime Minister. So, we have made great progress.

We have a long way to go in the future. But our historical friendship with Turkey cannot be damaged, because—[inaudible].

Q. Did you discuss the Cyprus problem?

THE PRESIDENT. Very briefly. I think there's common hope that the Cyprus question can be resolved. Obviously, this is a decision to be made by the Greek and Turkish Cypriots. Obviously, the Prime

Minister has a great voice and influence there.

We have hopes with the position—[inaudible]—hope for a united nation on Cyprus and for peace among the Cypriots.

Q. Do you see the problem of American bases being solved, sir?

THE PRESIDENT. I think they will be solved. As I said, we are making progress on that line.

Q. Can you explain the importance of the—[inaudible]—countries trying to—[inaudible]—the southern flank of NATO, and on the other hand applying an arms embargo to Turkey, one of the southern flank members?

THE PRESIDENT. Well, we recognize that Turkey is the keystone of NATO strength in the eastern Mediterranean. And we are very much concerned about the temporary embargo that was placed by the Congress of the United States. But I believe that very quickly in the next week or so, you will see a renewed commitment of our own Congress to authorize major sales of military equipment to Turkey. I think that this is an accurate prediction. So, we're making progress. And we recognize that we still have more improvement in the future, but we're determined to see it made.

Q. Is there still a linkage, Mr. President, between the Cyprus question and the arms supplies?

THE PRESIDENT. Well, my own analysis is that the items should be separated, that progress on Cyprus is very important to the Cypriots, to Turkey, to Greece, and to the rest of the world, certainly including the United States. And I'm sure that the Turkish leaders, the Greek leaders, the Turkish and Greek Cypriots, and we all will do what we can to bring about peace in Cyprus.

I also think that the military cooperation agreement is important. We have strongly recommended that the Congress

approve it. An immediate approval is not likely at this point, but I think that is very likely in the future. That should be a separate item.

And the third separate item is the sale of military equipment to Turkey. I think the Congress will very quickly approve the \$175 million authorizations. So, although we all want all three to be realized, in our minds they are separate, and each one is unique in its difficulty, but each one is unique in its importance to peace in the eastern Mediterranean and to world peace.

Thank you.

REPORTER. Thank you, Mr. President.

NOTE: The exchange with reporters began at 9:25 a.m. at Winfield House, where the meeting was held.

NATO Ministerial Meeting

Text of Remarks at the First Session of the Meeting. May 10, 1977

Introduction

Mr. President, Mr. Secretary General, Excellencies, and members of the Council:

We meet at an important time in the development of the international institutions on which our countries rely.

Here in London last week the leaders of seven nations and of the Commission of the European Communities pledged to join others in strengthening these institutions in the economic field.

Today and tomorrow this Council will discuss how to adapt the Alliance to meet the military and political challenges of the 1980's. Taken together, these meetings should give new impetus to relations among our industrial democracies.

At the center of this effort must be strong ties between Europe and North

America. In maintaining and strengthening these ties, my administration will be guided by certain principles. Simply stated:

- We will continue to make the Alliance the heart of our foreign policy.
- We will remain a reliable and faithful ally.
- We will join with you to strengthen the Alliance—politically, economically, and militarily.
- We will ask for and listen to the advice of our allies. And we will give our views in return, candidly and as friends.

This effort rests on a strong foundation. The state of the Alliance is good. Its strategy and doctrine are solid. We derive added strength and new pride from the fact that all 15 of our member countries are now democracies. Our Alliance is a pact for peace *and* a pact for freedom.

The Alliance is even stronger because of solid progress toward Western European unification and the expanding role of the European Community in world affairs. The United States welcomes this development and will work closely with the Community.

Political

In the aftermath of World War II, the political imperatives were clear: to build the strength of the West and to deter Soviet aggression. Since then, East-West relations have become far more complex. Managing them requires patience and skill.

Our approach to East-West relations must be guided both by a humane vision and by a sense of history. Our humane vision leads us to seek broad cooperation with Communist states for the good of mankind. Our sense of history teaches us that we and the Soviet Union will continue to compete. Yet if we manage this dual relationship properly, we can hope

that cooperation will eventually overshadow competition, leading to an increasingly stable relationship between our countries and the Soviet Union.

The United States is now discussing with the Soviet Union ways to control strategic arms. By involving the Soviet Union in a continuing effort to reduce and eventually to eliminate nuclear weapons, we hope not only to minimize the risks and costs of continuing arms competition but also to promote broader cooperation between our countries.

The Soviet Union has not yet accepted our proposals. But it has made clear that it wants an agreement. We will persevere in seeking an early and a genuine end to the arms race, through both a freeze on modernization of strategic weapons and substantial reductions in their number. And as we pursue this goal, we will continue to consult with you fully—not only to keep you informed but also to seek your views.

I hope that our countries can also reach agreement with the Soviet Union in limiting and reducing conventional forces. The United States strongly supports the efforts of the Alliance to gain an accord on mutual and balanced reduction of forces in Central Europe. That agreement should be based on parity in force levels through overall ceilings for the forces of NATO and the Warsaw Pact. The Soviet Union, by contrast, seeks to preserve the present conventional imbalance and to impose national force ceilings. I hope that these obstacles can be overcome. MBFR must be a means for achieving mutual security, not for gaining one-sided military advantage.

As we pursue arms control with the Soviet Union and the Warsaw Pact, we should also try to draw the nations of Eastern Europe into cooperative undertakings. Our aim is not to turn this region against the Soviet Union, but to en-

large the opportunities for all European countries to work together in meeting the challenges of modern society.

Next month delegates of 35 countries will confer in Belgrade to plan for a meeting to review progress since the Helsinki Final Act. The United States shares with you a desire to make this a useful and constructive meeting. We support a careful review of progress by *all* countries in implementing *all* parts of the Final Act. We approach these meetings in a spirit of cooperation, not of confrontation.

America's concern for human rights does not reflect a desire to impose our particular political or social arrangements on any other country. It is, rather, an expression of the most deeply felt values of the American people. We want the world to know where we stand. (We entertain no illusion that the concerns we express and the actions we take will bring rapid changes in the policies of other governments. But neither do we believe that world opinion is without effect.) We will continue to express our beliefs—not only because we must remain true to ourselves but *also* because we are convinced that the building of a better world rests on each nation's clear expression of the values that have given meaning to its national life.

In all these tasks and others facing the Alliance, it is vital for us to work together—particularly through close consultation and cooperation with the North Atlantic Council. We do not need new institutions, only to make better use of one that has served us so well. To this end I pledge that the United States will share with the Council our views and intentions about the full range of issues affecting the Alliance.

The Council should also examine long-range problems, so as to make this consultation more effective. A special Alliance review of East-West relations, un-

dertaken by the Council and drawing in national experts, could serve this end. Such a review might assess future trends in the Soviet Union, in Eastern Europe, and in East-West relations, and analyze the implications of these trends for the Alliance. The United States is prepared to make a major contribution to this study, whose conclusions could be considered at the May 1978 NATO meeting.

Defense

Achieving our political goals depends on a credible defense and deterrent. The United States supports the existing strategy of flexible response and forward defense. We will continue to provide our share of the powerful forces adequate to fulfill this strategy. We will maintain an effective strategic deterrent, we will keep diverse and modern theatre nuclear forces in Europe, and we will maintain and improve conventional forces based here.

The threat facing the Alliance has grown steadily in recent years. The Soviet Union has achieved essential strategic nuclear equivalence. Its theatre nuclear forces have been strengthened. The Warsaw Pact's conventional forces in Europe emphasize an offensive posture. These forces are much stronger than needed for any defense purpose. Since 1965 new ground and air weapons have been introduced in most major categories: self-propelled artillery, mobile tactical missiles, mobile air defense guns, armored personnel carriers, tactical aircraft, and tanks. The pace of the Pact's buildup continues undiminished.

Let me make it clear that our first preference is for early agreement with the Soviet Union on mutual and balanced force reductions. Failing to reach this agreement, our military strength must be maintained.

The collective deterrent strength of our Alliance is effective. But it will only re-

main so if we work to improve it. The United States is prepared to make a major effort to this end—as Vice President Mondale told you in January—in the expectation that our allies will do the same.

There have been real increases in allied defense spending. But difficult economic conditions set practical limits. We need to use limited resources wisely, particularly in strengthening conventional forces. To this end:

- We must combine, coordinate, and concert our national programs more effectively.
- We must find better ways to bring new technology into our armed forces.
- We must give higher priority to increasing the readiness of these forces.

To fulfill these goals, I hope our defense ministers, when they meet next week, will begin developing a long-term defense program to strengthen the Alliance's deterrence and defense in the 1980's. That program should help us make choices and set priorities. It should emphasize greater Alliance cooperation to ensure that our combined resources are used most effectively. It should take full advantage of work already done within the Alliance.

But plans are not enough. We must ensure that our Alliance has an adequate means for setting overall goals in defense, for measuring national performance against these goals, and for devising and carrying out joint programs. I propose that our defense ministers, working closely with the Secretary General, consider how best to strengthen the Alliance's ability actually to fulfill agreed programs.

After an interim report to the December 1977 meeting, I hope the defense ministers will submit their program to the spring meeting which might be held at the summit to review their recommendations. I also hope the defense administrators will agree next week to make high

priority improvements in the capabilities of our forces over the next year.

As we strengthen our forces, we should also improve cooperation in development, production, and procurement of Alliance defense equipment. The Alliance should not be weakened *militarily* by waste and overlapping, nor should it be weakened *politically* by disputes over where to buy defense equipment.

In each of our countries, economic and political factors pose serious obstacles. None of our countries, the United States included, has been free from fault. We must make a major effort—to eliminate waste and duplication between national programs; to provide each of our countries an opportunity to develop, produce, and sell competitive defense equipment; and to maintain technological excellence in all Allied combat forces. To reach these goals our countries will need to do three things:

First, the United States must be willing to promote a genuinely two-way transatlantic trade in defense equipment. My administration's decisions about the development, production, and procurement of defense equipment will be taken with careful attention to the interests of all members of the Alliance. I have instructed the Secretary of Defense to seek increased opportunities to buy European defense equipment where this would mean more efficient use of Allied resources. I will work with the Congress of the United States to this end.

Second, I hope the European allies will continue to increase cooperation among themselves in defense production. I welcome the initiative taken by several of your countries in the European Program Group. A common European defense production effort would help to achieve economies of scale beyond the reach of national programs. A strengthened defense production base in Europe would enlarge

the opportunities for two-way transatlantic traffic in defense equipment, while adding to the overall capabilities of the Alliance.

Third, I hope that European and the North American members of the Alliance will join in exploring ways to improve cooperation in the development, production, and procurement of defense equipment. This joint examination could involve the European Program Group as it gathers strength and cohesion. Some issues could be discussed in the North Atlantic Council. Whatever the forum, the United States is ready to participate in the way and at the pace that our allies wish. We are eager to join with you in trying to identify opportunities for joint development of new equipment and for increasing licensing or direct purchase of equipment that has already been developed. Together, we should look for ways to standardize our equipment and make sure it can be used by all Allied forces. We should see if ways can be found to introduce into our discussions a voice that would speak for the common interests of the Alliance in offering advice about cooperation in defense equipment.

Conclusion

To conclude:

It is not enough for us to share common purposes; we must also strengthen the institutions that fulfill those purposes. We are met today to renew our dedication to one of the most important of those institutions and to plan for actions that will help it to meet new challenges. Some of these actions can be taken in the near future. Others can be developed for review at our meeting next year at this time. I would be glad to offer Washington as the site of that meeting.

The French writer and aviator, Saint-Exupéry, wrote that "the noblest task of mankind is to unite mankind." In that

spirit, I am confident that we will succeed.

NOTE: The NATO ministerial meeting was formally opened in the morning at a ceremony at Banqueting House, London. The first session began at approximately 11 a.m. in the Long Gallery at Lancaster House. The President was introduced by NATO Secretary General Joseph M.A.H. Luns.

The text of the remarks was released at London, England.

NATO Ministerial Meeting

News Conference of Henry Owen, the President's Special Representative for Summit Preparations. May 10, 1977

AMBASSADOR OWEN. I thought I would talk about three things very briefly, and then open up to questions.

First, what were the President's main proposals? He began, as you know, with a reaffirmation of our commitment to the Alliance and to European unity, and to support the existing strategy of the Alliance. Then he went into three proposals: First, a proposal for improved political consultation and, more specifically, a broad study of East-West relations to be conducted by the North Atlantic Council, drawing in experts from capitals.

Second, a long-term program for improvement, both of NATO forces and of NATO machinery for carrying out decisions. This program to be developed by the Defense Ministers when they meet on May 17, and reported back to the North Atlantic Council meeting of May 1978, which he offered to host in Washington, at the summit. Along with that long-term program for defense improvements, he proposed that the Defense Ministers focus on a few quick actions which could be taken to improve the Alliance forces in the immediate future.

Third, he spoke about improving the situation in respect of defense production and procurement, acknowledged that our own country was not without fault, and suggested three steps to improve the situation.

One, he said that he had instructed the Secretary of Defense to search out opportunities for buying increased European defense equipment where this was competitive.

Second, he urged the Europeans to cooperate among themselves increasingly, particularly within the independent European defense program group, so that they could achieve the economies of scale involved in the Europe-wide defense production base, which would make them more competitive.

And third, he suggested a joint examination between the collective European entity and the U.S. as to how you could go about improving procedures.

So these were the three proposals: political consultation, the East-West study, defense—the improvement in forces and in machinery over the longer term for the 1980's, and the focus on specific steps that could be taken now in the meantime; and third, defense production and procurement—trying to buy more European stuff, encouraging the Europeans to cooperate; and a joint U.S.-European examination.

A second thing I'd like to go through with you is a few interpolations the President made, which are not in his prepared speech. If you go through it on the first page, there was nothing of significance; on the second page, when he spoke about the Belgrade conference, just before he got to the final sentence, he interpolated an additional sentence which I took down as follows: This is after the sentence "We support a careful review of progress by all countries in implementing all parts of the Final Act," he then said, "We take a

particular interest in human rights and hope that good progress can be made in this field."

Then on the defense side, at the top there, when he was talking just before he got to the improvement of Soviet forces, he noted that in the defense budget, which he's just submitted to the Congress, he asked for additional funds for U.S. conventional forces.

Finally, on the last page, when he was still talking about defense production, he elaborated on his view of the enormous amount of waste which was involved in the present overlapping and duplication in defense production, and when he got to the final end, he said NATO was the middle-aged alliance, that new initiatives would be useful in redirecting it to new tasks; he thought that the Alliance had good grounds for confidence in tackling these tasks, even though this would involve some sacrifice from the members.

The third thing I wanted to mention was the reaction of the other countries. We agreed that we wouldn't brief specifically about what individual countries said, but each of the heads of government spoke, and when the Secretary General tried to summarize it at the end, he said the reactions to what he called President Carter's keynote address were positive, that President Carter's specific proposals to adopt the Alliance to the political and military tasks of the 1980's were proposals to which the other leaders responded positively.

There was general satisfaction with the notion of a fresh look at future tasks in the political field, the defense field, and the defense procurement field. And the President followed up later by saying that he was looking forward, at the NATO meeting in May '78 in Washington, which he hopes will be at the summit, to reviewing the progress that's been made in each of these three fields, and the studies that have

been completed in each of these three fields.

That's all that happened that you haven't already learned by reading the President's speech, and I'm now open to any questions.

QUESTIONS

NATO MINISTERIAL MEETING

Q. What were some of these quick actions that the Defense Ministers would focus on?

AMBASSADOR OWEN. The President—

Q. Question?

AMBASSADOR OWEN. The question was: What were some of the quick actions that the Defense Ministers might focus on? The President, in his speech, didn't specify what they were, and I'd be reluctant to try and do Harold Brown's work for him, but I think generally you could assume that they will be in fields such as antiarmor, increased readiness, increasing war reserves. These are three areas in which I could conceive that quick actions would be taken. But the specification of that you'll have May 17, when Harold Brown goes to the Defense Ministers meeting.

Q. What happens now? Will everybody leave?

AMBASSADOR OWEN. No. There is a second day of the meeting and the second day of the meeting will do at least two things: One is talk in more detail about the Belgrade Conference, which was discussed today, but they'll talk about it more intensively tomorrow; and secondly, go over the communique and reach an agreement on that, so that it can be issued tomorrow. And the communique will be both addressed to the general questions which NATO communiqués always address and presumably comment on the President's three initiatives.

Q. Who will be at the table for us tomorrow?

AMBASSADOR OWEN. Secretary Vance will be there tomorrow, plus Ambassador Bennett, our newly appointed Ambassador to NATO, who's with me here today.

Q. Did they agree, in principal, to the Washington summit idea?

AMBASSADOR OWEN. I wouldn't say people stood up and said, "Yes, yes, yes," but my general impression was that the idea gained favor.

Q. Is this just a NATO summit?

AMBASSADOR OWEN. That is correct.

Q. On a political question, did the subject of civilian emergency come up?

AMBASSADOR OWEN. No. It did not.

Q. Will that come up tomorrow?

AMBASSADOR OWEN. I couldn't tell you whether it will come up tomorrow. Tap, do you know whether that will come up tomorrow?

MR. SCHECTER. Repeat the question, please.

AMBASSADOR OWEN. The question was, did civilian emergency measures, civilian preparedness defense mobilization measures, was that discussed. It was not discussed today. The second question was whether it will come up tomorrow, and my answer was I don't know.

Then I remembered when I was in the Navy they told me never say you don't know. So, I asked Tap Bennett. Will it come up tomorrow?

MR. BENNETT. It's open. It can.

AMBASSADOR OWEN. Tap says it's open. It may. He said it can. But he meant it may.

HUMAN RIGHTS

Q. Is there any reason why the reference to human rights was not in the prepared text and was added afterwards by the President?

AMBASSADOR OWEN. I think it's the same question you might ask about each

of the other four or five interpolations. When the President reads a speech, in my experience, he doesn't read it. He just goes down it and, indeed, I think you can probably get the actual text as it was delivered, tomorrow.

But I don't think there was a single paragraph that came out exactly as it was in the speech. The President looks at the paragraph and then says what the paragraph says. And I think that was just part of this general process. I think his thinking hasn't changed from the time he prepared the speech, and the thinking is reflected in the speech and in the additional sentence.

Q. You don't think he felt it needed strengthening because there was something about civil rights in the original?

AMBASSADOR OWEN. I wouldn't pretend to read the minds—the President's mind, but I don't have any reason to believe that, no. As I say, I think it was simply the general process that he followed on a number of pages. When he sees a paragraph, he throws in more than is in the actual text of the speech.

EAST-WEST RELATIONS

Q. Mr. Owen, he also was not totally clear in the text. Can you expand on what the study of East-West relations would do and what the scope is? Could you just give us a few words about that?

AMBASSADOR OWEN. Sure. I think it would look at three questions. First, what is the present stage of the Soviet Union, Eastern Europe, et cetera; second, what are the future trends, both in the Soviet Union and in Eastern Europe and in East-West relations; and third, what are the implications of those future trends for the role of the Alliance in respect of East-West relations?

Q. Isn't NATO, as a matter of course, studying its relationship with the East? Why would you need a special study?

AMBASSADOR OWEN. Because—and I think this was a view which was held not only by the President but by the other heads of government who spoke about this issue—that the issue is so important and there is a sufficient need for comprehensive review so that it is worthwhile having a study which will differ from previous studies in at least three respects: One, more extensive and in greater depth; two, involving not only the people in the permanent capitals but special experts drawn in; and third, looking at the policy issues involved, not merely trying to make an estimate of what is happening and what is going to happen but deducing policy conclusions from that. In all these respects, it's different from the regular studies which, as you rightly point out, are going on or at least have been going on.

SPAIN

Q. Excuse me. Mr. Vance is going to Spain tomorrow, and today you have been discussing NATO as a whole. Did the Spanish entry in NATO issue come up at all?

AMBASSADOR OWEN. No, it did not.

Q. What is the position now before Mr. Vance is going to Spain, of the United States about the application of Spain with NATO?

AMBASSADOR OWEN. The question was first, did it come up, and second, what's the U.S. position. The answer to the first is, it did not come up. The second, I think it is presumptuous for us to take a position until the Spanish Government has taken a position. I think the question of whether people want to join NATO is primarily a question for the country concerned.

U.S. FUNDING

Q. Is there anything new in Carter saying he will ask for additional funds for U.S. conventional forces?

AMBASSADOR OWEN. No. He did not say that. He said that he had asked. He said that in the defense budget which went to the Congress this year—you remember the Ford administration submits one budget and the new administration submits supplements—he pointed out that in the defense budget he had sent up there was additional funds for conventional forces. It was past tense; not future tense.

WEAPONS PURCHASES

Q. What is your assessment of the congressional attitudes toward the United States buying more weapons in Europe?

AMBASSADOR OWEN. Of course, you know there is the Nunn-Culver resolution which is very forthright on the question, and indeed requires the Secretary of Defense to provide a special justification when he doesn't buy weapons which are subject to standardization. So, I would say the attitude of the Congress toward it in general is favorable.

Now, obviously, on specific issues you have specific Members of the Congress who will feel strongly when defense industries in their districts are involved. So, I think the attitude of the Congress is favorable toward it as a general matter; on specific issues, there are bound to be objections from individual Members of the Congress. That's just inherent in the situation.

Q. He was talking about SALT. He said that he would seek to reach an agreement with the Soviet Union to limit or end the modernization of strategic weapons. He has said things something like that, but never quite like that before. Is this a new policy that he's unveiling here?

AMBASSADOR OWEN. No. It was definitely not a new policy. It was a recitation of existing policy. I should have mentioned, by the way, that when he was talking of the SALT part, he interpolated at

one point to reduce and eventually eliminate nuclear weapons which, as you know, is a phrase that he's used in the past.

I'm quite clear that the President was not making new policy, but was simply describing the existing policy and the existing proposals which we've made to the Soviet Union.

NATO BUDGET

Q. Would you say that the European countries had reservations about President Carter's long-term plans on grounds of cost?

AMBASSADOR OWEN. If they did, they didn't voice them. It was clear that the European countries are constrained by budgetary considerations, as indeed is the United States and Canada.

And several European heads of government mentioned these constraints. But this did not, so far as I could see, lead them to have any reservations of the proposal. Quite the contrary. It was the fact that there are constraints which made them, as it made President Carter, anxious to carry out a study which is designed not to produce a quantum jump in defense expenditures, but to see how the very large sums that NATO is now spending for defense can be used more effectively.

The President made that point and several heads of government repeated it.

FUTURE PLANS FOR TRAVEL

Q. Can you make the forecast, sir, on the frequency of Presidential travel to summits now?

AMBASSADOR OWEN. Well, there are two summits. There is the Economic and the NATO Summit. The Economic Summit, there are no plans for another summit, and whether another summit occurs will depend whether one of the seven governments invites people to one. I think

common sense would suggest that since there have been three summits at some point there will be a fourth. But I don't have the faintest intention when that will be, faintest idea when that will be. As to NATO summits, we know when the next one will be. It will presumably be in May of 1978 in Washington.

WEAPONS SYSTEMS

Q. Did any specific weapons come up, the F-16 or AWACS?

AMBASSADOR OWEN. No. There were no discussions of specific weapons issues.

Yes, someone back there. I can't see that far.

EUROCOMMUNISM

Q. Sir, in the past there have been rather dire, prolonged—

AMBASSADOR OWEN. I can't hear you. Can you come a little bit forward?

Q. In the past, sir, there have been rather dire warnings given lest any of the NATO governments included or broadened their base of Government including communism? Was there any discussion or was that at any time brought up?

AMBASSADOR OWEN. The question was: Was there any discussion of including Communists in NATO governments. The answer is no. The issue did not arise.

Any other questions?

FUTURE SUMMIT MEETINGS

Q. Sir, is it reasonable to suppose that all the chiefs of government would attend the next NATO summit?

AMBASSADOR OWEN. Of course, the French head of government does not attend NATO meetings. He didn't attend this meeting, and I would be surprised if he attended the next meeting.

As you know, the position of the French Government is it belongs to the Alliance, and is a cooperative and faithful member of the Alliance, but it does not belong to the organization which was created by

that Alliance—NATO. And I would suspect that would govern future French attendance, as it has governed past French attendance at NATO heads of government meetings.

Any other questions? Thank you very much.

REPORTER. Thank you.

MR. POWELL. Let me elaborate on one response here. With regard to U.S. position on application or admittance of Spain to NATO, I believe the time that the Spanish President of government was in Washington, that he was told by President Carter that at such time as Spain might wish to apply for membership, that the United States was prepared to support that application with, of course, the understanding that the view of the organization will prevail.

NOTE: The question-and-answer session began at 5:40 p.m. in the press center at the Churchill Hotel in London.

Meetings in London and Geneva

Question-and-Answer Session With Reporters Following the Meetings. May 10, 1977

REPORTER. Mr. President, could you sum up the results of this visit here?

THE PRESIDENT. The whole visit?

Well, it's been very productive for me. I had a chance to meet with more than a dozen heads of state, many of whom I had not known before, and I learned from each conversation about their own particular country's needs and opportunities. So I was a good student.

I think I've been extremely impressed with the genuine outpouring of friendship and affection by the British people toward our own country.

And this has been very stimulating to me. I've had a renewed confidence in the strength of the Western democratic societies, and I believe that this confidence is

increased among other leaders who have attended these meetings.

We have some countries that are temporarily inconvenienced economically, but there's an innate strength in the people who live in freedom that, I think, will tide us through very well.

We have enormous natural resources in our country—and many others—that give us a base on which to correct the problems and to deal with challenges. I think as far as the NATO meeting was concerned, most of the nations were relieved to know that the reluctance on the part of the United States 3 or 4 years ago to participate fully in NATO is now past, that we are a full partner, that our financial commitment to conventional forces in NATO are stronger than they were before. And I think that if they will carry out the suggestions that I made this morning—and they were adopted unanimously—to do an analysis of NATO for the 1980's, to do a complete analysis of the relationship between the Western democratic societies and the Eastern Communist societies, and also to share the benefits of NATO as far as the purchase of equipment and so forth is concerned—these, of course, will be made back in Washington next year for the next NATO summit meeting.

So, I think in every way my meetings here in England have been productive. This was supplemented by a brief trip to Geneva, where I met with President Asad from Syria. I believe we—I feel better about the prospect for some progress in the Middle East than I ever have before. King Hussein and President Sadat and President Asad have all been very constructive in their conversations with me, and I look forward to meeting the new leader of Israel after the elections are held in a few days.

I'll be meeting with Prince Fahd in Washington later on this month.

So, it's been a good trip, but I'm ready to go home.

Q. Mr. President, what kind of experience was this for you personally?

THE PRESIDENT. It was one of learning. I've got a new appreciation for the strength and influence of the United States as observed from the viewpoint of other nations. And this is a sobering thing, but also a very gratifying thing. I think there's a much greater depth of friendship toward our Nation than I had anticipated, and I think that my own presence here, and the fact that the United States has now come through the ordeal of Watergate and Vietnam, adds a renewed confidence to the people in Western Europe.

So, it's been a gratifying thing for me, and I believe the personal friendships that I've formed with the leaders of more than a dozen nations will stand our country in good stead in the months ahead, as we have slight differences between us.

I think it'll be easy to have a quick communication to resolve those differences, rather than to have it deteriorate into a serious circumstance.

So, I think it's been a good trip for me personally.

Q. Do you expect further moderation on the part of the Arab countries, based upon your conversations with President Asad yesterday?

THE PRESIDENT. I have been very encouraged by the moderate attitude of the Arab leaders.

Q. Mr. President, how do you assess your own performance? When you came over here, you had some reservations about your ability to compete with these former finance ministers.

THE PRESIDENT. Well, I didn't find the competition to be there. There was a ready acceptance of me. And I have a good ability to listen when I'm in a learning situation.

I think there was an eagerness on their part to teach. I don't think there was any feeling of superiority or inferiority. There was no inclination to dominate. I think everyone who participated would agree with that.

So, I feel good about the encounters that we had, because they were all constructive. There was not a negative result that I can remember in the long series of interrelationships among the nations' leaders.

Q. Did the NATO meeting this morning produce any greater agreement to work together that will help in the SALT talks for instance? Will there be a thaw-out in the Soviet Union?

THE PRESIDENT. I think these meetings will be constructive, even toward the SALT talks—not particularly the NATO meeting, but that would be included.

For instance, General Secretary Brezhnev will be visiting France next month, and I think for President Giscard d'Estaing to know my position and to know the good will that we have towards the Soviets and to express that as a third party, will be constructive. And I think this next year, as we analyze in some depth with specialists the basic compatibilities between the East and the West and the basic reasons for differences between the East and West, this will provide, I think, some foundation on which to correct those differences.

All of us want to have peace, and all of us want to have a substantial progress in reducing dependence upon the nuclear weapons. All of us want to have progress made on the mutual and balanced force reductions with conventional arms. All of us want to open up a sharing of aid to the developing countries, and include the Soviets and other Eastern countries in it.

So, I think there was a very constructive development here toward the East-West relationships in all the forms.

Q. Mr. President.

THE PRESIDENT. This will be the last one.

Q. In the beginning there was some talk that there was friction, or at least a certain amount of uneasiness that existed between you and Chancellor Schmidt. Did you find that to be the case, sir?

THE PRESIDENT. No. We have had differences of opinion about several important issues. They were just coincidental. There was nothing there personal. But I think that after our own private conversations and in the general discussions, we've reached, so far as I know, a resolution of all those differences.

I have a very good personal friendship with Chancellor Schmidt. He represents a nation that's vigorous and strong economically, and I think that the only remaining difference that I can think of is the sale of the nuclear reprocessing plant by the Federal Republic of Germany to Brazil. And we've initiated a study which may or may not resolve that problem. But even if it doesn't, I'm determined to see very tight and stringent international safeguards concerning nuclear wastes, and if I am successful along with others in that endeavor, then I think any reprocessing plant anywhere in the world could handle nuclear wastes without danger of it developing into explosives.

So, I think there is nothing that's important that divides me and Helmut Schmidt.

Thank you. I'm going to get ready.

Q. Are you going to France?

THE PRESIDENT. I have not accepted. He invited me and I told him I'd try to come. But I have not accepted for sure.

Q. They say you're coming.

NOTE: The President spoke at 7 p.m. on his return to Winfield House. Following his remarks, the President went to Heathrow Airport for the return trip to the United States.

THE PRESIDENT'S NEWS CONFERENCE OF MAY 12, 1977

TRIP TO EUROPE

THE PRESIDENT. I have a very brief statement to make—to begin with, just an overview of what I consider to be the results of our trip to Europe, and then I will be glad to answer whatever questions you might have.

This was the first trip I've taken outside of our country since I became President. It was a very full few days. I tried to be well prepared. And I think that I can report substantial success, not particularly because of my own participation but because there was, I believe, a renewed spirit of hope and confidence engendered among all of us who participated as we look to the future in our ideological competition with the Eastern Communists and Socialist countries, compared to our own in the Western democracies, now including Japan.

I think there is a sense, a quiet sense that we have justified reasons for that confidence, although we sometimes suffer a temporary discomfiture in unemployment, inflation, and a sense that the Soviets perhaps are increasing their military strength.

I think there is now a much clearer picture that we are able to compete and that that competition must be conducted under peaceful circumstances.

There is a difference. We have strong systems of government. For the first time since NATO was begun many years ago, all the participating countries are democracies.

We are very proud of the new emergence of Spain and Portugal with the

democratic system of government. And I think there is a sense to conclude that in a test of will, of confidence, of cooperation, that when men and women in our societies are free, when we can make our own decisions, choose our own governments, that gives us an inherent advantage.

There was a closeness among us when we adjourned that I thought was very encouraging, a better understanding.

I personally had private conversations with the leaders of 16 or 17 different countries. I tried to study, ahead of time, what their special problems were and what their opportunities were for increased friendship with us. And I think we were successful.

We recommitted our commitment to NATO. We called on a reanalysis of what NATO will be during the 1980's, a new study of East-West relationships, and a better way to save money, and to make a NATO commitment more effective with standardization of weapons.

While there, I took a quick trip to Geneva to meet President Asad of Syria—a continuing process in my own life as President—to study the special attitudes toward a possible alleviation of the Middle Eastern dispute this year. And hopefully, after the Israeli elections this month, we can have the new leader of the Israeli Government come back to meet with me, as Prime Minister Rabin did earlier this year.

So, these are the things that we attempted. I think our successes were well publicized, but it was a joint success and I believe that we understand each other better. There's a renewed strength and commitment in the democratic societies who are our friends and allies.

Ms. Thomas [Helen Thomas, United Press International].

QUESTIONS

THE MIDDLE EAST

Q. Mr. President, do you think that Israel should accept the Palestinian homeland if the Palestinians or PLO accept the fact of Israel? And also, as a result of your talks today, are you persuaded that we should share arms technology and co-production with Israel?

THE PRESIDENT. The answer to both those questions is yes. I don't think that there can be any reasonable hope for a settlement of the Middle Eastern question, which has been extant now on a continuing basis now for more than 29 years, without a homeland for the Palestinians. The exact definition of what that homeland might be, the degree of independence of the Palestinian entity, its relationship with Jordan, or perhaps Syria and others, the geographical boundaries of it, all have to be worked out by the parties involved. But for the Palestinians to have a homeland and for the refugee question to be resolved, is obviously of crucial importance.

We have a special relationship with Israel. It's absolutely crucial that no one in our country or around the world ever doubt that our number one commitment in the Middle East is to protect the right of Israel to exist, to exist permanently, and to exist in peace. It's a special relationship.

Although I've met with the leaders of Egypt, Syria, Jordan, and had long hours of discussion, I never found any of those Arab leaders who objected to that special commitment of ours to the protection of the integrity of Israel.

And obviously, part of that is to make sure that Israel has adequate means to protect themselves without military involvement of the United States. I have no objection about this arrangement. I'm

proud of it. And it will be permanent as long as I'm in office.

DOMESTIC POLICY

Q. Mr. President, while you were away, a number of liberal Democrats—thinking especially of Senator McGovern—suggested that your economic policies are hard to differentiate from those of your Republican predecessor. What's your response to that?

THE PRESIDENT. Well, I would not refer to Senator McGovern as "a number of liberal Democrats." [*Laughter*]

I don't know that Senator McGovern's speech to the ADA was mirrored in the objections by any other Democrats. Obviously, we have a firm belief in the character of the Democratic Party, that we're the ones who are responsible more than any other party in this country's existence for the provision of jobs for our people, a better life for those who are afflicted, who are poor, who are disadvantaged, who need education and need security in their old age. These kinds of programs have been put forward by me to the Congress in a very strong and continuing way.

I will make one of my few speeches later on this month in California to a labor convention. And I will try to spell out in kind of an inventory fashion what we have proposed and what we do intend to do this year. But I'm very proud of what has been done up to date and the attitude of Congress.

Tomorrow, I'll be signing a \$4 billion jobs bill. Appropriations have already been approved for countercyclical help for local governments. We are providing over 1 million jobs for young people this summer. We proposed to the Congress a resolution of the very serious question involving the integrity of the social security system. We've asked for a control of the

runaway costs of people to get health care in hospitals. These are just the first steps toward a continuing commitment of my own administration.

I do not consider these moves—to help people to go back to work and have a good life—to be incompatible with a balanced budget before my own term of office is over. We consider the realization of the objective of a balanced budget to be tied very closely with the right of people to have a job.

If we're going to have high unemployment, we're not going to have a balanced budget. So, I don't think the criticism was justified, and I'm very thankful it was confined to one person.

THE MIDDLE EAST

Q. May I get back briefly to Helen's question? It seemed to us, traveling with you, that you and the people in your party were a bit more upbeat on the question of the Middle East this week than perhaps a couple weeks ago after the Hussein visit. I just wonder, do you have indications now that the Palestinians are ready to recognize the right of Israel to exist? And also, do you have—in reference to the question Helen brought up—do you have some indication that Israel is ready to recognize the need for a Palestinian homeland?

THE PRESIDENT. We have had no contact with the Palestinians, with PLO. But I have concluded meetings with the Prime Minister of Israel, the President of Egypt, the President of Syria, and the King of Jordan. At the conclusion of this series of meetings, I feel better than I did before. At the end of the Hussein meeting my own hopes were improved.

I don't want to mislead anyone. The chances for Middle Eastern peace are still very much in doubt. We have a long way to go. But I do believe that there's a chance that the Palestinians might make

moves to recognize the right of Israel to exist. And if so, this would remove one of the major obstacles toward further progress.

Our Government, before I became President, promised the Israeli Government that we would not recognize the PLO by direct conversations or negotiations, as long as the PLO continued to espouse the commitment that Israel had to be destroyed.

I would like to see this resolved. There's a chance that it will be done. We are trying to add our efforts to bring this about. But I have no assurance that it will be accomplished.

ILLEGAL GOVERNMENT ACTIVITIES

Q. Mr. President, a former FBI official now faces prosecution for his role in allegedly ordering illegal FBI surveillance on various groups. I'm curious, on the basis of your information, can you tell us whether you feel that Mr. Kearney does in fact deserve to be prosecuted, and whether or not you feel that other FBI officials, present or former, should face similar prosecutions for similar alleged actions?

THE PRESIDENT. Well, you are presupposing guilt before a trial. It's obvious to me that members of the Government, in the military, the CIA and the FBI and the Oval Office, if a crime is committed, need to have that crime investigated. And if they're determined to be guilty, they should be punished. No special excuse should be given for officials in the FBI. I don't know the details of the case. I've not been briefed on it and have no reason to be. I have encouraged Attorney General Griffin Bell, who needs no encouragement, to enforce the law enthusiastically.

And there's been a great deal of pressure put on Griffin Bell not to prosecute this case or to continue with the investigation of the case. I think he's doing the

right thing. But I don't want to try to guess what the outcome of the investigation or the possible trial might be.

PEOPLE'S REPUBLIC OF CHINA

Q. Mr. President, one of your predecessors is going on television tonight to discuss his foreign policy, Mr. Nixon, and I suspect he'll talk a great deal about China.

Inasmuch as it's been 5 years since the Shanghai Communique was signed, I was wondering if you have a target date within your administration for full diplomatic recognition of the People's Republic of China? Do you have a target date? Will it come within your first administration, and if you don't have a target date, what's the problem?

THE PRESIDENT. Well, it's very difficult for me to set a target date, because this is a two-way negotiation. We have commenced discussions with the Chinese Government to resolve the first obstacle, and that is the claims settlement.

Long years ago, we had roughly \$190 million worth of American property and other goods confiscated by the Mao Tse-tung government. We in our country confiscated in return about \$80 million, I believe, primarily in Chinese bank deposits. We've never been able to work out those differing claims. That would be the first step.

We have espoused, and I have renewed my commitment to the Shanghai Communique, which says that there's just one China. We didn't say which one, and I think that we have moved—[laughter]—and neither did anyone else—we have moved, I think, to strengthen our ties with the People's Republic of China.

I have met personally with Ambassador Huang. Cy Vance has met several times with him. We've sent a delegation of Congress Members over there, along with my own son, as a demonstration or gesture of

friendship. They were well received. We haven't chosen one of the good friends of mine and a great leader, Leonard Woodcock, who we expect to be the next Ambassador to the People's Republic of China and I would like to see progress made toward normalization of relationships.

The one obstacle, major obstacle, obviously, is the relationship we've always had with Taiwan. We don't want to see the Taiwanese people punished or attacked. And if we can resolve the major difficulty, I would move expeditiously to normalizing relationships with China. But I can't put a time limit on it.

FOREIGN TRAVEL PLANS

Q. Mr. President, your trip to Europe was judged to be a great success. We know that you've been invited to Paris in the fall by President d'Estaing. When will you be going back to Europe, or to any other foreign country?

THE PRESIDENT. I've not decided definitely to go to France. President Valéry Giscard d'Estaing did invite me to come, and if the Congress is able to get through with its work as presently scheduled, sometime in October, then that would make it possible for me perhaps to take another trip at the end of this year. But I have not decided to do that yet.

I don't know what the prospects of the trip would be. I don't know what the itinerary would be, and it's still very much in doubt.

WELFARE REFORM

Q. Mr. President, if the welfare mess is as bad as you have said it is, why are we going to have to wait until 1981, in your second term, to see it cured?

THE PRESIDENT. Thank you for your comments. [Laughter] I don't think that's what we have in mind at all. We expect to propose a legislative package to the

Congress before the summer home work session, which commences in August.

I would hope that the Congress could pass the new welfare legislation early next year, and then we'll immediately start to implement it.

It took us 2 years to implement the recent change in the welfare laws, and I think that a 3-year time for the conclusion of those changes is a very hopeful and optimistic move. But that doesn't mean that we won't initiate immediately those parts that can be done quickly. And I think that this is not a sign of discouragement, but a sign of practicality.

We are now approaching this question on a somewhat piecemeal basis. Under the general term of welfare would obviously come food stamps. We've recommended that the cash contribution to food stamps be eliminated, a great simplification process. So, I don't think anyone needs to be discouraged who is interested in welfare reform.

If everything went exactly on schedule and if we moved as expeditiously as humanly possible, that could not be completed before the time that I designated.

THE DEMOCRATIC PARTY

Q. Mr. President, Pat Caddell, your pollster in the campaign, wrote a memo to you in December. And I'd like to ask you about two of his assertions. The first is that some elements of the Democratic Party are greater adversaries, potentially, of your administration politically than the Republicans. He mentioned traditional Democrats like McGovern. He called him anachronistic, and the "young turks" like Governor Brown. He said he was the most dangerous threat on the horizon in the Party.

My first question, if I may, is: Do you believe that?

THE PRESIDENT. No. I don't see either McGovern or Governor Brown as an ad-

versary or threat. I feel quite secure in my position. [*Laughter*]

The prospect of a 1980 election is something that I have not, you know, put any time on at all. That'll be a decision that may be made in the future. And I think that it's accurate to say—I don't remember the memorandum now in detail—but I do remember that one of the conclusions that he drew, as you so accurately pointed out on television one night, is that the best way to have favorable reaction from the American people in future elections is to do a good job in managing the Government. But I honestly don't feel threatened.

I think it's true that I have a close and friendly relationship with Governor Brown. He helped me during the campaign. My son Chip is with him today for a 4-day period to work, and my wife will be stopping by to work in California with Governor Brown on mental health when she goes to Hawaii later on this year.

I don't feel threatened and consider him a very good friend. But this is long in the future. And I think what Pat Caddell was referring to was if I should change my mind and decide to run for reelection.

THE PRESIDENT'S STYLE

Q. May I ask about the second theme, which was, you should continue a political campaign as President with such things as town meetings and all of that, and that you should really concentrate on style. He said that many people have been defeated by making the mistake of substituting substance for style. Do you agree?

THE PRESIDENT. Yes, I agree. I agree to this extent: When I took office, I had not won an overwhelming victory in the general election—as you know, a couple million votes. And I believe that in the last number of years, there had been a loss of

confidence in our Government, both in its integrity and also in its ability and competence.

There had been a loss of confidence that the White House and Congress could work together, or that the people could have access to the decisionmaking process, absent secrecy. So, a major commitment of mine, long before this Caddell memorandum was written, was to try to restore the confidence of the people in me.

Obviously, one of those means is by frequent news conferences. Another one is by access to me in the Oval Office. Another one is the travel around our country on occasion to meet with people. And I think that this is the "style" part. I think that the walk down Pennsylvania Avenue, about which Mr. Caddell was not informed, was a good indication that I trust Washington. I didn't feel endangered, that I wanted the people to know I was one of them. I don't see anything wrong with this. I think, to the extent that I can have a good relationship with the people, it makes it easier for me to be a good President.

So, the confidence of the people in the Government is a crucial element of leadership. And the openness with which I hope that I am conducting my administration means that we don't try to cover up mistakes. And if we do make mistakes, we want them to be known. So, I think that this is a good combination of style on the one hand, which is not artificial, and substance on the other hand, which will bear good results.

Q. Mr. President?

THE PRESIDENT. Yes.

DOMESTIC POLICY

Q. To follow up the Frank Cormier question and your answer, you talked about providing jobs. Why aren't you able to please George Meany? What's the problem there?

THE PRESIDENT. Well, I don't know. That question can best be answered by Mr. Meany. I think it would be good for special interest groups of all kinds—labor, business, environment, and others—to cooperate and to express a partnership in things that are accomplished for the good, instead of concentrating on the negative things that fail to measure up to their own very high expectations.

I think the package of proposals that we put forward are unexcelled, even going back to the early days of Lyndon Johnson. And as I say, I'll make a good summary of these proposals, which I think will be realized, at a speech later on this month. Mr. Meany feels that my level of minimum wage is too low. He feels that the \$4 billion public works proposal that Congress has already approved is too little. He feels that I should have put tight constraints against the importation of color television sets, sugar, shoes. I think I've worked out a good balance on those proposals.

So, the fact that he doesn't approve of everything I do doesn't mean we have any personal disruption of our communication and mutual respect.

Q. Are you also saying to Mr. Cormier that you see no danger of losing the liberals?

THE PRESIDENT. Well, there's always that danger. I think one of the characteristics of some liberals is that they are very difficult to please. [Laughter] And when some of the groups make a list of things that they want, if they get 95 percent of what they want they can only remember the other 5 percent. [Laughter]

And this is something which I don't particularly deplore but which I do recognize. There's been no disruption of my relationship with any of these groups. And I think my record has been and will be able to bear their scrutiny.

Q. Mr. President?

THE PRESIDENT. Yes?

A7E AIRCRAFT

Q. In your defense budget, you recommended deleting all the funds for the A7E light attack aircraft. The House has restored funds for 6 A7E's and the Senate has restored funds, or their committees have restored funds, for 12 A7E's. What's your reaction to that?

THE PRESIDENT. The A7, in my opinion, ought not to be built any longer, except to meet present contractual agreements. It's a plane that's obsolescent at best. There is no need in my opinion for a continued purchase of this plane. This is a matter for me and the Congress to decide mutually, of course, in the ultimate case.

But my recommendation not to order new A7's was based on the fact we have superior airplanes now to replace it. And as far as our return on very scarce military dollars invested, it was not the best investment to make.

Q. Mr. President, following on that question, if I could for a minute, my impression was that the replacements for the A7E's wouldn't be off the line for several years and that right now the Navy is minus about 36 A7's.

How do you feel about waiting that long for the replacement model?

THE PRESIDENT. Well, I went into this very carefully and thoroughly with the Defense Department officials and with those who represent the Office of Management and Budget, before my own recommendation was made to the Congress. I think I made the right decision, the right recommendation. And I don't believe that our defense capability will be damaged by not going ahead in acquiring this plane, which is becoming too obsolescent to be the best investment.

WHITE HOUSE STAFF SALARIES

Q. Mr. President, given your concern about inflation and for economy in Government, how do you justify pay raises up to \$11,000 for some of your senior staff aides after they've been on the job only 2 months?

THE PRESIDENT. Well, I had a substantial increase in my salary the first day I went into office. [Laughter] I think I earn it. These men and women on my staff are not overpaid. I don't think the Congress is overpaid nor do I think that the District Judges and the judiciary are overpaid. My staff members did not have their salaries raised to the same level even as the Members of Congress and the judiciary, which was their choice, not mine. Their increase in salary, I think, was one that was justified, and I don't have any apology to make for it. They work extraordinarily long hours, as do some of you, and I think the people of our country are getting a good return on their salary investment in my staff.

FOREIGN ARMS SALES

Q. Mr. President, about a month ago you got recommendations on your desk for a new weapons sales policy for overseas, and Secretary Vance has explained that to some members of the Senate Foreign Relations Committee. Did you explain that policy to the other leaders in London that you met with, and will Israel get any kind of special treatment? Will there be a class of countries that get special treatment?

THE PRESIDENT. I did explain it to the other leaders in London—to some of the other leaders, not all of them, because I met with so many. And the second answer is that Israel will get special treatment. We have a certain small group of nations who, because of longstanding historical commitments of Presidents, Congress, and

the American people, do have a special relationship with our Government.

In coproduction—that's when we share responsibilities for the production of a certain weapons system or the sale of the advanced weapons systems—Israel is one of those countries. Yes.

TAX PROPOSALS

Q. Mr. President, there have been reports that your administration is considering significant tax cuts for business in your tax reform package. What is your thinking along this line?

THE PRESIDENT. I have not had a chance yet to meet with the specialists who are working on the overall tax proposal. I've been working on the summit and the welfare proposal and others—and social security and so forth.

This week will be the first time that I will have met with them at all—that'll be tomorrow—to go over the general framework. I think it would be erroneous to presume, however, that the major tax reductions, if any, would fall to the business community. I'm much more concerned about alleviating the tax burdens on people who are working families and those that I think have been paying too much. But there might be a change in the tax structure relating to business.

But I can't answer your question because I have not yet decided. But I think in general, there would be a well-balanced assessment of tax burden, and I would certainly not single out business for special tax credits.

Q. Mr. President, is it your assumption that the tax reform package would result overall in a decrease in revenues?

THE PRESIDENT. No. My hope is that we can make the analysis based on no change in revenue, that its primary purpose can be increased equity or fairness and much greater simplicity. Then, if we

do have an opportunity to reduce taxes, they will be done one increment at a time, and the decreases in tax payments will be allotted where they're needed, both to sell the package to Congress and to the people, and to provide increased fairness in the overall concept.

FRANK CORMIER [Associated Press]. Thank you, Mr. President.

[President Carter's seventh news conference began at 2:30 p.m. in Room 450 of the Old Executive Office Building and was broadcast live on radio and television. Following the news conference, the President remained in the room to answer questions from reporters on an informal basis, as follows:]

Q. Have you got any jet lag?

THE PRESIDENT. I've gotten over it. I went to see "The Barber of Seville" last night. It was a remarkable performance. Beverly Sills was nice enough to help me out, you know, with the pre-inauguration program. She performed without asking for any kind of pay. And I want to go see her.

But I feel pretty good. I'm going to get a longer night's sleep tonight.

Q. We were all zonked out. How did you have the energy to go see the opera last night?

THE PRESIDENT. I have one ability to change from one time zone to another, even with a 5-hour difference. When I got to London for instance—on the way over, I went to bed at 11:30 at night, London time, which was 6:30 Washington time. And I would guess that you did not do the same.

Q. No. *[Laughter]* Mr. President, you talked about coverups and confidence in your formal portion of the news conference. Could you give us your reaction to the Nixon television appearances?

THE PRESIDENT. I've only seen a small part of the first one. I saw part of the first part, and then the latter part of it. It

really didn't change my opinion about President Nixon. I personally think that he did violate the law. I think he did commit impeachable offenses. I think that he doesn't think he did. And I noticed in the post-program public opinion polls that most of the people do agree with what I've just said.

Q. We can't hear you back here.

Q. Mr. President, you did not believe him, then?

THE PRESIDENT. Well, as I say, I think he was guilty of impeachable offenses. But I believe that he doesn't think he was. I think he has rationalized in his own mind that he did all these things for the benefit of his staff members, and so forth, and that he didn't have any criminal intent. I think he's mistaken, but I'm sure it's possible for any human being to rationalize their own actions, particularly in months afterwards.

Q. Can you tell us about the sudden resurgence of Watergate interest in the country? Why is the country suddenly interested in this again?

THE PRESIDENT. Well, I think it's completely attributable to that series of television programs.

Q. Do you think it's all right to go ahead with them, and will you be watching "Foreign Policy" tonight, for example?

THE PRESIDENT. No, I won't.

Q. Why? Don't you think you will learn anything from it?

THE PRESIDENT. No. I just have some other things I've got to do. *[Laughter]*

Q. We ran into a lot of people who saw the program in Great Britain. There seemed to be a lot of interest in the Nixon program. I just wondered, did any of the other people that you met with mention it at all or was there any talk about it?

THE PRESIDENT. Yes. Several of the European leaders mentioned it. And I

would say that most of their comments were deploring the resurrection of it.

Q. What do you mean, what he had to say or that—

Q. The resurrection of Watergate?

THE PRESIDENT. Yes. It was quite a blow to Europe, I think, to see our own country besmirched with the Watergate revelations, and I think they now are glad to see it over and just did not want to see the whole subject resurrected again. But I don't think this is going to do any serious damage.

Q. Didn't any of them tell you they thought he was really just a victim of politics?

THE PRESIDENT. No, they didn't.

Q. Were they critical of him for bringing it up?

THE PRESIDENT. No, I don't think so. They just deplored it. I don't mean that they were—

Q. He's making a lot of money off of it.

THE PRESIDENT. I know.

Q. Do you approve of that part of the whole thing, of—

Q. The selling of the ex-President—

Q. Selling of the Government?

THE PRESIDENT. Well, you know, I don't want to get in the position of condemning Mr. Nixon for what he does now.

Q. Are you starting your memoirs? *[Laughter]*

THE PRESIDENT. *[Laughing]* I don't think anybody would pay for them.

Q. Did you get a taste for foreign travel now, after you told us coming over you didn't think much of traveling away from Washington now? Now there is France, Geneva.

Q. Paris.

Q. Did you get bitten by meeting with the leaders of the free world?

THE PRESIDENT. I hope not. *[Laughter]*

Q. Did you feel like you were back on the campaign up in Newcastle?

THE PRESIDENT. Well, I did.

Q. It looked like it.

Q. Somebody said Hamilton Jordan was doing voter profiles. [*Laughter*]

THE PRESIDENT. Well, that was really a good trip, I think.

Q. Where did you get the "Ha'way-tha-lads" line? Who told you about that?

THE PRESIDENT. The Prime Minister.

Q. Did he? On the way up?

THE PRESIDENT. After we got up there.

Q. And it was your idea to use it.

THE PRESIDENT. Yes.

Q. Ham Jordan was quoted as saying that he was surprised, even knowing the power of the Presidency, how much impact it had abroad. Did you find that same reaction?

THE PRESIDENT. Well, I really think it was really more of an expression of friendship and confidence in our Nation and its position as a bulwark that's unchanged within the Democratic societal structure. There's a great doubt and a lack of confidence among many of the European communities.

The USIA does public opinion polls and I have access to them. And I think just the fact that the people see that our own country is so strong and so permanent and so able and so deeply committed to European friendship was the cause of the outpouring of expression of support.

Also, Newcastle is an area that's quite often ignored in the political processes. And I think the fact that a President did go up to that relatively isolated community was appreciated by them. So, I was really pleased with it. But the main sense I had was one of intensely strong feelings of appreciation, of friendship and kinship among them and us.

Q. We thought it had something to do with the fact Callaghan—that was one of the few areas he hung onto or his party hung onto. [*Laughter*]

THE PRESIDENT. Well, as a matter of fact, I think the Labor Government lost every county in Great Britain except Tyne and Wear, which is where Newcastle was. If I had gone there a week earlier, he might have lost it, too. [*Laughter*]

Q. For those of us who sit in the rear, I wonder if you would raise your sights the next time?

Q. Yes, please.

THE PRESIDENT. Okay. I promise.

Q. Hold on there.

THE PRESIDENT. I really need to go.

Q. Mr. President, would you please comment about your meeting with Prime Minister Demirel? Did you find any solutions in achieving some proposal to the strained Turkish-American relations in the last few years?

THE PRESIDENT. I don't have time to get into that subject deeply. But I can say this: Both Demirel and Caramanlis, with whom I met the same morning, expressed their complete commitment to seek and to find a peaceful solution of the differences between them and the Aegean Sea.

When I left those meetings at the American Embassy residence and arrived for the NATO conference, I found Prime Minister Demirel and Prime Minister Caramanlis talking to each other with their hand on one another's shoulder, as though they were trying to resolve their differences. So although Turkey has been very disappointed at our inability to have passed in the Congress the mutual defense agreement, I do believe that they appreciated the increase in the authorization for military sales by \$50 million. And I think I let Mr. Demirel and also Caramanlis understand that to the American public, a resolution of the Cyprus question is of supreme importance to us and interest to us.

They feel that the Aegean Sea is the more important of the two questions, be-

cause of the actual threat to peace, the fact that war might begin. But I was pleased.

Q. Thank you, Mr. President.

Q. Mr. President, is there any chance to have the PLO office in Washington?

THE PRESIDENT. I don't know.

Public Works Employment and Economic Stimulus Appropriations Bills

*Remarks on Signing H.R. 11 and H.R. 4876
Into Law. May 13, 1977*

THE PRESIDENT. I'm very pleased this morning to be able to sign two very important pieces of legislation which I think demonstrate, in a vivid way, the close cooperation that has evolved between the White House and the Congress and between the Federal Government and the local and State government officials.

One of the most important needs that we had when I became President was to assure that we begin to reduce the unemployment rate, which at that time was, I believe, 8.1 percent, and to start our national economy toward a normal growth in prosperity.

These two bills that have now been passed by Congress are a major move in the right direction. Our Secretary of Commerce, Juanita Kreps, has shown a deep interest in this legislation, will administer it well and, I think, has formed a close interrelationship with the congressional committees involved that will stand us in good stead in the future.

House Resolution 11 is a public works bill. It provides \$4 billion in immediate funding for State and local governments to proceed with projects that will be very beneficial to the people of our country.

The Labor Department has estimated that 300,000 jobs will be provided with this money in the construction industry alone, and at least another 300,000 in related industries concerned with construction.

A good part about it is that this program will be administered at the local and State levels of government, and also that it is not a make-work type job opportunity. The jobs will be in the private sector. I think perhaps the Congress has been a little too strict on requiring that public employees can't participate and perhaps a little too much of an intrusion in the requirements on local and State governments. But these will be private jobs, and I think this is a very good and proper thing to do.

The allocation of funding is on a basis of the number of jobs that need to be provided: the unemployment total figures, 65 percent, and 35 percent on a percentage of unemployment, so that every State gets at least \$30 million; the maximum that any State can get is \$500 million.

Two percent of the money is set aside for Indians and Alaskan natives, and 10 percent of the total funds have to be spent through minority businesses. These are very good aspects of this legislation.

And I would like to sign now House Resolution 11, and then following that sign another appropriation bill which will make possible even further progress in economic development.

[At this point, the President signed H.R. 11 into law.]

I want to thank the Congress for making it possible for me to do this.

I might point out that already we've had a very good move toward the goals that we established. The unemployment rate has dropped by a full 1 percent in this first few months—not because of me, not because of the Congress, not because

of Secretary Kreps or the mayors and Governors, but because of a reaffirmation of the American people's confidence in our own system. And I believe that this has shown up in the public opinion polls. It has also shown up in a better attitude of consumers and business investments in the future.

Recent analyses done by independent private groups have shown that the business plans for investment in the next 12 months are 18 percent—discounted for inflation, more than 10 percent. This is a very good indication of both consumer and business confidence in the future of our country.

House Resolution 4876 is the appropriations bill for the stimulation of our economy. It involves \$630 million—\$631 million, I believe, to be exact—in countercyclical allocations. That legislation has not been passed yet, but it will be voted on today; \$8 billion for public service jobs, which will help to put people back to work who are difficult to employ, and an additional 200,000 jobs for young people.

When I met with the other leaders of the Western World in Europe this past week, the most uniform concern expressed was for jobs for young people, and I think this is a move in the right direction. We've still got a long way to go, but the enlightened attitude of the Congress in passing this legislation with sound principles involved and with no delay is something of which the American people can be proud.

So, I am very glad to sign now House Resolution 4876 that provides more than \$20 billion in general revenue sharing funds and opportunities for the American people to go back to work.

[At this point, the President signed H.R. 4876 into law.]

I would like to ask our Secretary of Commerce to say just a word.

SECRETARY KREPS. I'm not sure I'm comfortable in this chair. [Laughter]

I think the only thing that needs to be added is the fact that in addition to creating jobs in the private sector, the local public works legislation will give to the people in the towns and cities throughout the Nation new facilities, new public facilities, libraries, municipal buildings, water treatment plants, which they very much need. And this legacy, this long-term legacy, is as important a part of the legislation as is the job creation.

Thank you, Mr. President.

NOTE: The President spoke at 9:30 a.m. at the signing ceremony in the Rose Garden at the White House.

As enacted, H.R. 11 and H.R. 4876 are Public Law 95-28 and Public Law 95-29, respectively, approved May 13.

Swearing-In Ceremony

Remarks at the Swearing In of the Director of the Community Services Administration, the Commissioner of the Immigration and Naturalization Service, the Administrator of General Services, and a Civil Service Commissioner. May 13, 1977

Some people said that this group meeting was because I got accustomed to meeting with large numbers of heads of state in Europe. But that's not the case.

I particularly wanted to have this morning, an opportunity to demonstrate as vividly as possible the interrelationship between competence in government and the humane concern about people in our country.

We have two men who will be sworn in this morning who are responsible for the public employees—head of the Civil Service and head of a General Services

agency that takes care of all our property and has, I think, about a \$4 billion budget. They bring to our Government a background of superb knowledge and experience.

On the other hand, we have two people being sworn in who will deal in the most direct way with human beings. And I'm very proud to have this chance to reaffirm my old friendships with some of them and to introduce the others to the American people.

The first person that I'd like to introduce, on my right, is a friend whom I've known for several years. Jay Solomon and his wife, Rosalynn, their children, are very close to me. They've demonstrated in many ways their commitment to a finer America.

Jay Solomon is a very successful businessman. He's familiar in his own region of the country, Chattanooga, Tennessee, with public housing and how to care for it, how to make it be used more effectively. His background in business is in housing development, construction, with major undertakings and enterprises far beyond anything I've ever been associated with in my own business career. And at a tremendous financial sacrifice to him, he's been willing to come and help us in the Government to bring order and good planning at a vast range of functions of a General Services agency.

Graciela comes here from New Jersey—I mean from New Mexico—excuse me. She's been a friend and has worked very closely with Jerry Apodaca, the Governor of New Mexico, who's also a good friend of mine—at least he was a good friend before I took Graciela away from New Mexico.

The function that she will perform is extremely important. When the Congress established the Community Services Administration, it was with the idea of being

kind of a knife edge of dealing with human beings in a nonbureaucratic way. We have a large number of major agencies—HEW is the most notable one—which can, in a structured fashion, deal with people's needs. But the Community Services Administration can be innovative, direct, can involve poor people in the evolution of programs that help them and their neighbors. And Graciela Olivarez is such a person. She's extraordinary. She comes from a very poor family. She's the first woman who ever graduated from the law school at Notre Dame. She's been a professor. And she has the most deep sense of personal concern about the less fortunate members of the American society. And I'm very grateful that she is willing to come to be with us, also.

Leonel Castillo comes to us from Houston, Texas. He's a man who has the highest possible reputation. He's a public administrator, and I think I can tell you that he's going to take on one of the most difficult jobs in Government. Sometimes I think the Oval Office is a hot spot, but I think his own responsibilities at this particular time might be even worse.

He'll be in charge of naturalization and immigration, and he's the kind of person, I think, that can bring a proper sensitivity to the special challenge which too long has remained unresolved—how to welcome those who legally and properly should come to our society, come into our great country; how to deal with those who have in the past come into our country illegally, but who perform well here; and how to establish and maintain a friendly, constant working relationship with our friends and neighbors who want to have a good, close contact with their own loved ones in this country and who want to come here to provide good services for our country.

He's a man who also leaves a very challenging job, and I have complete confidence in him.

The last person I'd like to introduce is one that has created a great deal of problem for me. [*Laughter*] Yes, already.

The U.S. Civil Service Commission is an area where policies are established protecting the basic rights of employees of our Government, and also where opportunities exist, I think, for better service of the professionals who have one life to live, who have decided to devote it on a full-time basis—not just a part-time basis, for elected officials—to service their fellow human beings. And quite often, there's a breakdown in that relationship between hard work in a bureaucracy, the protection of the employee's own rights, orderly promotion, adequate salary, and effectiveness of service.

Alan Campbell had just agreed to go to the University of Texas. The Texans were very proud of him. And it was a notable achievement for the university to have acquired his services.

When I asked him to come and take on this important job, he was in a quandary. And I can let you know that Lady Bird Johnson and many other people were deeply involved in the process, and there was a great reluctance in letting him come back to Washington. And I can tell you that typical of Texans, they yielded to the greater interest of our country.

And I'm very grateful that Alan Campbell has come. This is a thankless job, but it's one I believe that will tap his tremendous capabilities, background, and experience. He's come here at a sacrifice as well, because that's a very fine position that he had agreed to take originally, and I know he would have been proud to serve in that capacity.

So, these four people, different in their background, different in their future responsibilities, but having a common purpose to serve our country to the best of their own ability, is what brings us together this morning.

Judge Griffin Bell will administer the oath of office to these people who make me proud to be President.

Thank you very much.

NOTE: The President spoke at 11:10 a.m. at the ceremony in the Rose Garden at the White House. Following his remarks, Attorney General Griffin B. Bell administered the oath of office.

United States Ambassadors

Nomination of Seven New Ambassadors. May 13, 1977

The President today announced six persons who will be nominated to be Ambassadors. They are:

DONALD C. BERGUS, to be Ambassador to the Democratic Republic of Sudan;

LAWRENCE S. EAGLEBURGER, to be Ambassador to the Socialist Federal Republic of Yugoslavia;

ARTHUR A. HARTMAN, to be Ambassador to France;

JAMES G. LOWENSTEIN, to be Ambassador to Luxembourg;

ROBERT H. MILLER, to be Ambassador to Malaysia; and

HARRY W. SHLAUDEMANN, to be Ambassador to Peru.

The President also announced that he will nominate Philip H. Alston, Jr., now Ambassador to Australia, to serve concurrently and without additional compensation as Ambassador to the Republic of Nauru.

NOTE: The announcement of the nomination of Mr. Alston to be Ambassador to Australia, including biographical information on him, is printed at p. 576 of this volume.

United States Ambassador to the Sudan

***Nomination of Donald C. Bergus.
May 13, 1977***

The President today announced that he will nominate Donald C. Bergus, of Strathmere, N.J., to be Ambassador Extraordinary and Plenipotentiary of the United States to the Democratic Republic of Sudan. Bergus is Deputy Chief of Mission in Ankara, Turkey.

He was born February 20, 1920, in South Bend, Ind. He received an A.B. in 1942 from the University of Chicago.

Bergus joined the State Department in 1942 as a clerk in Baghdad and served there until 1945. In 1945 and 1946, he was a clerk in Athens. Bergus was a language officer in Beirut in 1946-47, and from 1947 to 1949 he was Deputy Chief of Mission in Jidda. In 1949-50 he took Arabic language and area training on detail at the University of Pennsylvania.

From 1950 to 1954, Bergus was political adviser in Beirut (UNRWAP). He was officer in charge of Israel-Jordan affairs at the State Department from 1954 to 1958. In 1958-59, he attended the National War College.

Bergus served as a Near East expert in Paris (NATO) in 1959 and 1960. From 1960 to 1962, he was political officer in Paris, and from 1962 to 1965 he was counselor for political affairs in Cairo. In 1965-66 Bergus was diplomat in residence at the University of Southern California.

From 1966 to 1967, he was Country Director for the United Arab Republic. From 1967 to 1971, he served as principal officer, then Minister, in Cairo. In 1971-72 Bergus was diplomat in residence at the University of South Carolina.

Bergus was dean for academic relations of the Foreign Service Institute in 1972-

73 and deputy director of academic affairs at the Institute in 1973-74. Since 1974 he has been Deputy Chief of Mission in Ankara.

He received the Arthur Flemming "Outstanding Young Men in Government" award in 1955. He speaks French, Arabic, and modern Greek.

United States Ambassador to Yugoslavia

***Nomination of Lawrence S. Eagleburger.
May 13, 1977***

The President today announced that he will nominate Lawrence S. Eagleburger, of Arlington, Va., as Ambassador Extraordinary and Plenipotentiary of the United States to the Socialist Federal Republic of Yugoslavia. Eagleburger was Deputy Under Secretary of State for Management from 1975 to 1977.

He was born August 1, 1930, in Milwaukee, Wis. He received a B.S. in 1952 and an M.S. in 1957 from the University of Wisconsin. He served in the United States Army from 1953 to 1955.

Eagleburger joined the State Department in 1957 as an economic officer in Tegucigalpa. Between 1959 and 1966, he served in the State Department as intelligence research specialist, then economic officer in Belgrade, then foreign affairs officer. From 1966 to 1967, he was on the National Security Council staff. He was special assistant to the Under Secretary of State from 1967 to 1968.

From January to July 1969, Eagleburger was executive assistant to Henry Kissinger on the National Security Council. He served as political counselor to USNATO in Brussels from 1969 to 1971. He was Deputy Assistant Secretary for International Security Affairs at the De-

fense Department from 1971 to 1973.

From 1973 to 1975, Eagleburger was executive assistant to the Secretary of State. In 1975 he served as Acting Deputy Under Secretary of State for Management, and from May 1975 to 1977 he was Deputy Under Secretary of State for Management.

United States Ambassador to France

*Nomination of Arthur A. Hartman.
May 13, 1977*

The President today announced that he will nominate Arthur A. Hartman, of Haddonfield, N.J., to be Ambassador Extraordinary and Plenipotentiary of the United States to France. Hartman is Assistant Secretary of State for European Affairs.

He was born March 12, 1926, in New York. He received an A.B. from Harvard University in 1944 and attended Harvard Law School in 1947–48. He served in the United States Army Air Corps from 1944 to 1946.

Hartman served as economic officer at the Economic Cooperation Administration, in Paris, from 1948 to 1952, and as economic officer of the U.S. delegation to the European Army Conference, in Paris, from 1952 to 1954. In 1954–55 he was politico-military officer in Paris/USRO, and from 1956 to 1958 he was economic officer in Saigon.

From 1958 to 1961, Hartman was international affairs officer in the Economic Organization Affairs Section of the Bureau of European Affairs. In 1961–62 he was staff assistant to the Under Secretary of State for Economic Affairs. In 1962–63 he was special assistant to the Under Secretary of State.

From 1963 to 1967, Hartman was Chief of the Economic Section in London. He served as special assistant to the Under Secretary of State and staff director of the senior interdepartmental group from 1967 to 1969. From 1969 to 1972, he was deputy director for coordination.

Hartman was Deputy Chief of Mission and Minister Counselor to USEC in Brussels from 1972 until 1974, when he became Assistant Secretary of State for European Affairs.

United States Ambassador to Luxembourg

*Nomination of James G. Lowenstein.
May 13, 1977*

The President today announced that he will nominate James G. Lowenstein, of Washington, D.C., to be Ambassador Extraordinary and Plenipotentiary of the United States to Luxembourg. Lowenstein is Deputy Assistant Secretary of State for European Affairs.

He was born August 6, 1927, in New York. He received a B.A. in 1949 from Yale College and attended Harvard Law School in 1955–56. He served in the United States Navy from 1952 to 1955.

Lowenstein was a clerk in the Economic Cooperation Administration from 1950 to 1952. From 1952 to 1956, he was an observer at the Economic Cooperation Administration—Mutual Security Agency, in Paris. In 1956–57 he was on detail to the Foreign Service Institute.

In 1957 and 1958 Lowenstein was an international relations officer at the State Department. In 1958 he was on detail to the Foreign Service Institute and then served as political officer in Colombo, until 1961. In 1961–62 he was on detail to the Foreign Service Institute for Serbo-Croatian language training.

From 1962 to 1965, Lowenstein was a political officer in Belgrade. From 1965 to 1974, he served as a consultant to the U.S. Senate Committee on Foreign Relations. He has been Deputy Assistant Secretary of State for European Affairs since 1974.

Lowenstein is a member of the Council on Foreign Relations and the International Institute for Strategic Studies and serves on the advisory council of the School of Advanced International Studies at Johns Hopkins University.

United States Ambassador to Malaysia

Nomination of Robert H. Miller.

May 13, 1977

The President today announced that he will nominate Robert H. Miller, of Seattle, Wash., to be Ambassador Extraordinary and Plenipotentiary of the United States to Malaysia. Miller is Deputy Assistant Secretary of State for East Asian and Pacific Affairs.

He was born September 8, 1927, in Port Angeles, Wash. He received an A.B. in 1949 from Stanford University and an M.A. from Harvard University in 1951. He served in the United States Army from 1945 to 1947.

Miller was an organization methods examiner at the State Department in 1951 and 1952. He was a foreign affairs officer from 1952 to 1954 and political officer in Paris (USRO) from 1954 to 1957. From 1957 to 1960, he was a foreign affairs officer at the Department, and from 1960 to 1962 he was an international relations officer.

From 1962 to 1965, Miller was Deputy Chief of the Political Section in Saigon. He was Director of the Vietnam Work-

ing Group at the State Department from 1965 to 1968, and in 1968 was on detail to the Imperial Defence College in London.

From 1968 to 1971, Miller served as political officer in Paris. He was a deputy executive secretary at the State Department from 1971 to 1973. In 1973-74 he was on detail as Assistant Director of the U.S. Arms Control and Disarmament Agency.

Miller was Deputy Assistant Director for East Asian and Pacific Affairs from 1974 until 1975, when he became Deputy Assistant Secretary of State for East Asian and Pacific Affairs.

Miller received the Distinguished Honor Award Unit Citation in 1967.

United States Ambassador to Peru

Nomination of Harry W. Shlaudeman.

May 13, 1977

The President today announced that he will nominate Harry W. Shlaudeman, of San Marino, Calif., to be Ambassador Extraordinary and Plenipotentiary of the United States to Peru. In 1976 and 1977 Shlaudeman was Assistant Secretary of State for Inter-American Affairs.

He was born May 17, 1926, in Los Angeles, Calif. He received a B.A. from Stanford University in 1952. He served in the United States Marine Corps from 1944 to 1946.

Shlaudeman was consular officer in Barranquilla from 1954 to 1956 and political officer in Bogotá from 1956 to 1958. He took Bulgarian language and area training at the Foreign Service Institute in 1958-59, and from 1959 to 1962 he served as consular officer in Sofia.

In 1962 and 1963 Shlaudeman was political officer in Santo Domingo. From

1963 to 1965, he was chief of Dominican affairs at the State Department, and in 1965 and 1966 he was Assistant Director of the Office of Caribbean Affairs at the Department.

In 1966–67 Shlaudeman took the senior seminar in foreign policy. From 1967 to 1969, he was Special Assistant to the Secretary of State, and from 1969 to 1973 he was Deputy Chief of Mission in Santiago.

Shlaudeman served as Deputy Assistant Secretary of State for Inter-American Affairs from 1973 to 1975 and as Ambassador to Venezuela in 1975 and 1976. In 1976 he became Assistant Secretary of State for Inter-American Affairs.

Baptist Brotherhood Commission of the Southern Baptist Convention

Remarks of the President and Glendon McCullough, Executive Director of the Commission. May 13, 1977

MR. McCULLOUGH. Mr. President, this group feels a real closeness to you because of your service on our board, and I would doubt there's any group in the country that's more concerned about you and praying for you and remembering you, and we appreciate you a lot.

You've taken some good stands. You've built a good image, and we're proud of you.

THE PRESIDENT. Thank you, and I'd like to respond.

This is one of the events in my schedule that I've been anticipating with a great deal of pleasure. Many of you have been friends of mine for a number of years, and I've felt the impact of your concern and your prayers for me as President. It's been a very enjoyable experience so far,

and one of the reasons is because of my sense and realization of your support and your concern in the partnership that I have with the American people.

I don't think I could be any closer with anyone than I am with some of you. Glendon and Marjorie were married in my house. And when they decided to take this momentous step forward, for Glendon—maybe backwards for Marjorie—[laughter]—I was one of the first ones they talked to about it, and I obviously and very quickly gave them my blessing and my good will.

I think this morning's ability for me to speak to you and to renew our friendship is very constructive. And as you know, Baptists are among the most fervent advocates of all legal separation between the church and the state, between religion and government. But at the same time, no matter what we do, whether we are physicists or engineers or farmers or Governors or Presidents or full-time workers in the church, we feel that we have an obligation to our country to devote our lives to the furtherance of its finest ideals and commitments and, at the same time, when we are concerned about government, to try to elevate those standards to meet the standards set for us by Jesus Christ.

And I don't see any incompatibility there. We are strong and independent people as Baptists; we are strong and independent people as Americans. We want to make our own decisions. We seek guidance from above. We don't yield to pressure from others, and I think this is the essence of our strength.

I'm very grateful that you would come and meet with me this afternoon, now. And we have a chance, I think, to make our country even greater than it has been in the past. It depends not on the identity of the President but on the common thrust and strength of our people. And

I'm one of you, and you're part of me, and that realization gives me a quiet confidence that I can serve in such a way as not to embarrass you.

I do need your continued friendship and support, your open criticisms when I make mistakes, and your constant prayers that the judgments that I make will be compatible with our highest commitments and our highest faith and our highest belief.

Thank you very much.

NOTE: The exchange began at 12:20 p.m. in the Rose Garden at the White House.

Use of Private Consultation Services by the Federal Government

Memorandum for the Heads of Executive Departments and Agencies. May 12, 1977

Memorandum for the Heads of Executive Departments and Agencies

In a continuing search for ways to improve the efficiency and effectiveness of the executive branch, I have become aware of a need for improved management of the excessively large volume of consulting and expert services used by the Federal Government. A recent survey by a Senate subcommittee of the use of personal and non-personal consultant and expert services identified more than 30,000 contract arrangements and 10,777 individual appointments. Additionally, there are such services provided by grant arrangements and through advisory committee memberships.

There has been, and continues to be, evidence that some consulting services, including experts and advisors, are being used excessively, unnecessarily, and improperly.

This must be corrected without delay. Some areas of concern include:

—Use of consultants to perform work of a policymaking or managerial nature which should be retained directly by agency officials.

—Repeated appointments or contract extensions which raise questions whether the work is better suited to other more appropriate arrangements.

—Use of consultants to provide studies and analyses which have no useful impact on agency operations, either because the subject itself is non-essential or because there are no disciplined agency procedures to (a) check priorities and (b) insure follow-up on the results.

—Use of consultant arrangements as a device to bypass or undermine personnel ceilings, pay limitations, or competitive employment procedures.

—"Revolving door" abuses whereby former Government employees may be improperly favored for individual or contracted consulting arrangements.

—Intra-agency duplication of consultant efforts, especially in large, multi-agency departments such as Defense and Health, Education and Welfare, because there is no central coordination of consulting efforts or dissemination of results.

—Conflicts of interest between consultants' advice and their other outside financial interests and affiliations.

In order to improve the use of consultants, I want you to:

1. Review all data that is available or can be readily assembled to describe:

—The principal purposes for which consulting services are being used;

—The types of consulting arrangements being used (Civil Service Commission appointment, contract, grant, advisory committee membership, other); and

—The number of such arrangements in effect and the total dollars involved.

2. Review and revise the management controls and decision criteria used for consultants which will effectively prevent abuses.

3. Eliminate those consultant arrangements found to be neither appropriate nor necessary.

4. Report the results of the above items to the Director of the Office of Management and Budget by June 30, 1977.

I am asking the Director of the Office of Management and Budget to review your reports and, where appropriate, to suggest additional measures that you might apply to strengthen your management control of the purposes and arrangements for consulting and expert services.

JIMMY CARTER

NOTE: The text of the memorandum was released on May 13.

U.S. Representative to the Conference of the Committee on Disarmament

*Nomination of Adrian S. Fisher for the
Rank of Ambassador. May 13, 1977*

The President today announced that he will nominate Adrian S. Fisher, of Washington, D.C., for the rank of Ambassador while serving as the U.S. Representative to the Conference of the Committee on Disarmament. Fisher was Francis Cabell Brown Professor of International Law at Georgetown University Law Center from 1975 to 1977.

Fisher was born January 21, 1914, in Memphis, Tenn. He received a B.A. from Princeton University in 1934 and an LL.B. from Harvard Law School in 1937. He served in the U.S. Air Force from 1942 to 1946.

Fisher was vice president and counsel of the Washington Post Company from 1955 to 1960. He served as Deputy Director of the U.S. Arms Control and Disarmament Agency from 1961 to 1969, and as deputy to Ambassador Averill Harriman in Moscow during 1963. From 1969 to 1975 he was dean of Georgetown University Law Center.

Farmers Home Administration

*Nomination of Gordon Cavanaugh To Be
Administrator. May 13, 1977*

The President today announced that he will nominate Gordon Cavanaugh, of Garrett Park, Md., to be Administrator of the Farmers Home Administration, Department of Agriculture. Cavanaugh is executive director of the Housing Assistance Council in Washington.

He was born April 3, 1928, in Philadelphia, Pa. He received an A.B. in economics from Fordham College in 1950, and an LL.B. from the University of Pennsylvania Law School in 1953.

From 1953 to 1966, Cavanaugh was in private law practice, and from 1956 to 1960, he was also assistant city solicitor for the city of Philadelphia. From 1966 to 1968, he was commissioner of the Department of Licenses and Inspections of the city of Philadelphia.

Cavanaugh was housing director for the city of Philadelphia from 1968 until 1971, when he became executive director of the Housing Assistance Council, a non-profit corporation established to improve the delivery of subsidized housing and related governmental assistance to rural areas and small municipalities.

United States Foreign Intelligence Activities

Executive Order 11985. May 13, 1977

By virtue of the authority vested in me by the Constitution and statutes of the United States of America, including the National Security Act of 1947, as amended, and as President of the United States of America, in order to reflect certain organizational changes for the control and direction of intelligence activities, it is hereby ordered as follows:

SECTION 1. The Table of Contents of Executive Order No. 11905 of February 18, 1976, is amended by deleting "Committee on Foreign Intelligence" and "Operations Advisory Group" and substituting therefor "NSC Policy Review Committee" and "NSC Special Coordination Committee" respectively.

SEC. 2. Section 2(d) of Executive Order No. 11905 is amended by deleting "Committee on Foreign Intelligence" and substituting therefor "NSC Policy Review Committee".

SEC. 3. Section 3(a) of Executive Order No. 11905 is amended by adding thereto the following new paragraph:

"(4) The National Security Council Policy Review Committee and the National Security Council Special Coordination Committee assist the National Security Council in the performance of its functions. Membership on each committee includes, in addition to the National Security Council, such members as the President may direct. In addition to the performance of policy development and coordination responsibilities which may be assigned by the President, these committees are responsible for those duties specified by this Order."

SEC. 4. Section 3(b) of Executive Order No. 11905 is amended as follows:

(a) In the title, delete "*Committee on Foreign Intelligence*" and substitute therefor "*NSC Policy Review Committee*".

(b) Delete paragraph (1) and substitute the following new paragraph:

"(1) Whenever the NSC Policy Review Committee, hereinafter referred to as the PRC, performs the functions assigned in this Order, the PRC shall be chaired by the Director of Central Intelligence, hereinafter referred to as the DCI, and include as members the Deputy Secretary of Defense, the Deputy Assistant to the President for National Security Affairs, and a senior representative of the Secretary of State."

(c) In paragraphs (2) through (5), delete "CFI" wherever it occurs and substitute therefor "PRC".

(d) Insert in paragraph (3) immediately after the word "supported" the words "in its functions under this Order".

(e) Insert in paragraph (4) immediately after the last word the words "under this Order".

(f) Insert in paragraph (5) immediately before the word "may" the words "under this Order".

SEC. 5. Section 3(c) of Executive Order No. 11905 is amended as follows:

(a) In the title, delete "*The Operations Advisory Group*" and substitute therefor "*NSC Special Coordination Committee*".

(b) Delete paragraph (1) and substitute therefor the following new paragraph:

"(1) Whenever the NSC Special Coordination Committee, hereinafter referred to as the SCC, meets to perform the functions assigned in this Order, the SCC shall be chaired by the Assistant to the President for National Security Affairs and include the Secretary of State, Secretary of Defense, Director of Central Intelligence and Chairman of the Joint

Chiefs of Staff, as members, and the Attorney General and Director of the Office of Management and Budget, as observers.”.

(c) In paragraphs (2) through (4), delete “Operations Group” wherever it occurs and substitute therefor “SCG”.

SEC. 6. Section 6 of Executive Order No. 11905 is amended as follows:

(a) In paragraph (1) of subsection (a), delete “The members of the Oversight Board may also serve on the President’s Foreign Intelligence Advisory Board (Executive Order No. 11460 of March 20, 1969).”.

(b) Delete subsection (f).

SEC. 7. Section 8(a) of Executive Order No. 11905 is amended by deleting the words “Committee on Foreign Intelligence” and substituting therefor “PRC”.

JIMMY CARTER

The White House,

May 13, 1977.

[Filed with the Office of the Federal Register,
3:53 p.m., May 16, 1977]

NOTE: The Executive order was not issued in the form of a White House press release.

Digest of Other White House Announcements

The following listing includes the President’s daily schedule and other items of general interest as announced by the White House Press Office during the period covered by this issue. Events and announcements printed elsewhere in the issue are not included.

May 6

Following his visit to Newcastle-Upon-Tyne, England, the President, accompanied by Prime Minister James Callaghan, toured the Corning Limited glass factory in Sunderland and Washington Old Hall, the ancestral home of George

Washington in the village of Washington, County of Tyne and Wear. After his tour of the Old Hall, the President went to the Village Green, where he planted a tulip poplar tree brought from Mount Vernon, Va.

May 7

While in London, the President met separately at Winfield House with:

- Chancellor Helmut Schmidt of the Federal Republic of Germany;
- Prime Minister Takeo Fukuda of Japan;
- Margaret Thatcher, Member of Parliament and Conservative Party leader.

The President today declared a major disaster for the State of Missouri as a result of severe storms, tornadoes, and flooding, beginning about May 4, which caused extensive public and private property damage.

May 8

While in London, the President attended a communion service at Westminster Abbey. Following the service, the President toured the Abbey.

The President met at Winfield House with Prime Minister Giulio Andreotti of Italy.

May 9

While in London, the President met with President Valéry Giscard d’Estaing of France at the residence of the French Ambassador to Great Britain.

While in Geneva, the President met with President Kurt Furgler of Switzerland at the Intercontinental Hotel.

May 10

While in London, the President held separate meetings at Winfield House with:

- Prime Minister Constantine Caramanlis of Greece;

- Prime Minister Léo Tindemans of Belgium;
- Prime Minister Süleyman Demirel of Turkey.

While in London, the President held separate meetings at Lancaster House with:

- President António dos Santos Ramalho Eanes of Portugal;
- Prime Minister Odvar Nordli of Norway;
- Prime Minister Anker Jørgensen of Denmark;
- Prime Minister Johannes den Uyl of the Netherlands;
- Prime Minister Gaston Thorn of Luxembourg.

In the evening, the President returned to Washington.

May 12

The President met at the White House with:

- Zbigniew Brzezinski, Assistant to the President for National Security Affairs;
- senior White House staff members;
- the Democratic congressional leadership;
- Thomas P. O'Neill, Jr., Speaker, and several Members of the House of Representatives;
- Adm. Stansfield Turner, Director of Central Intelligence, and Dr. Brzezinski;
- Vice President Walter F. Mondale, Speaker O'Neill, and Senators John Sparkman, Hubert H. Humphrey, Frank Church, Jacob K. Javits, and Richard Stone of the Senate Foreign Relations Committee, to discuss the arms transfer restraint policy of the United States;
- Arnold Miller, president, and William Cottrell, international representative of the United Mine Workers;

- Kenneth Hahn, Los Angeles County Supervisor, Robert Bush, senior deputy to Mr. Hahn, and Joseph M. Pollard, legislative consultant to the County of Los Angeles;
- Bert Lance, Director of the Office of Management and Budget;
- Charles L. Schultze, Chairman of the Council of Economic Advisers.

May 13

The President met at the White House with:

- Dr. Brzezinski;
- Vice President Mondale, Attorney General Griffin B. Bell, Dr. Brzezinski, Admiral Turner, members of the Senate Select Committee on Intelligence, and several administration officials, to discuss U.S. intelligence activities;
- Robert F. Goheen, U.S. Ambassador to India;
- Mrs. Carter, for lunch;
- Mike Abrams, chairman of the Dade County (Fla.) Democratic Executive Committee; Alfredo G. Duran, chairman of the Democratic Party of Florida; Sergio Bendixen, Democratic national committeeman for Florida; and Clyde Pedeway, director of youth street workers, James E. Scott Community Association, Miami, Fla.;
- Vice President Mondale, Dr. Brzezinski, and Secretary of Defense Harold Brown.

In a ceremony in the Oval Office, the President received diplomatic credentials from Ambassadors Pierre Toura Gaba of the Republic of Chad, Hamad Abdel Rahman Al Madfa of the United Arab Emirates, Yong Shik Kim of the Republic of Korea, and Arun Panupong of the Kingdom of Thailand.

In the afternoon, the President left the White House for a weekend stay at Camp David, Md.

NOMINATIONS SUBMITTED TO THE SENATE

The following list does not include promotions of members of the Uniformed Services, nominations to the Service Academies, or nominations of Foreign Service officers.

Submitted May 13, 1977

ARTHUR A. HARTMAN, of New Jersey, a Foreign Service officer of the Class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to France.

JAMES GORDON LOWENSTEIN, of the District of Columbia, a Foreign Service officer of Class one, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Luxembourg.

ROBERT H. MILLER, of Washington, a Foreign Service officer of Class one, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Malaysia.

PHILIP HENRY ALSTON, JR., of Georgia, now Ambassador Extraordinary and Plenipotentiary of the United States of America to Australia, to serve concurrently and without additional compensation as Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Nauru.

HARRY W. SHLAUDEMANN, of California, a Foreign Service officer of the Class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Peru.

LAWRENCE S. EAGLEBURGER, of Virginia, a Foreign Service officer of Class one, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Socialist Federal Republic of Yugoslavia.

DONALD CLAYTON BERGUS, of New Jersey, a Foreign Service officer of Class one, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Democratic Republic of the Sudan.

ADRIAN S. FISHER, of the District of Columbia, for the rank of Ambassador while serving as the United States Representative to the

NOMINATIONS—Continued

Conference of the Committee on Disarmament.

ANDREW W. DANIELSON, of Minnesota, to be United States Attorney for the District of Minnesota for the term of 4 years, vice Robert G. Renner, resigning.

JAMES R. BRITTON, of North Dakota, to be United States Attorney for the District of North Dakota for the term of 4 years, vice Harold O. Bullis, resigned.

JAMIE C. BOYD, of Texas, to be United States Attorney for the Western District of Texas for the term of 4 years, vice John E. Clark, resigned.

JOHN C. MERKEL, JR., of Washington, to be United States Attorney for the Western District of Washington for the term of 4 years, vice Stan Pitkin, resigned.

ALBERT S. HINDS, of Illinois, to be United States Marshal for the Eastern District of Illinois for the term of 4 years, vice Arthur J. Wilson, Jr., resigning.

HAROLD C. WARREN, of North Dakota, to be United States Marshal for the District of North Dakota for the term of 4 years, vice Alvin W. Bumann, resigning.

RODOLFO A. GARZA, of Texas, to be United States Marshal for the Western District of Texas for the term of 4 years, vice Sam H. Roberts, resigned.

CHECKLIST OF WHITE HOUSE PRESS RELEASES

The following releases of the Office of the White House Press Secretary, distributed during the period covered by this issue, are not included in the issue.

Released May 7, 1977

News conference: on the President's meeting with Chancellor Helmut Schmidt of the Federal Republic of Germany, at Winfield House, London, England—by Dr. Zbigniew Brzezinski, Assistant to the President for National Security Affairs (held at Winfield House)

News conference: on the first session of the international economic summit meeting—by Secretary of the Treasury W. Michael Blumenthal (held at the Churchill Hotel)

News conference: on the second session of the international economic summit meeting—by Secretary of the Treasury W. Michael Blumenthal (held at the Churchill Hotel)

Administration of Jimmy Carter, 1977

CHECKLIST—Continued

Released May 8, 1977

News conference: on the President's meeting with Prime Minister Giulio Andreotti of Italy, at Winfield House, London, England—by Assistant Secretary of State for European Affairs Arthur Hartman (held at Winfield House)

Released May 9, 1977

News conference: on the President's meeting with President Hafiz al-Asad of Syria, at the Intercontinental Hotel, Geneva, Switzerland—by Dr. Zbigniew Brzezinski, Assistant to the President for National Security Affairs (held at the Intercontinental Hotel)

Released May 11, 1977

Pool report: on a question-and-answer session with reporters on the President's meetings in London and Geneva—by Dr. Zbigniew Brzezinski, Assistant to the President for National Security Affairs (held on Air Force One on return from London to Washington)

Released May 13, 1977

Biographical data: Jamie C. Boyd, the President's nominee to be U.S. Attorney for

CHECKLIST—Continued

the Western District of Texas; Andrew W. Danielson, the President's nominee to be U.S. Attorney for the District of Minnesota; James R. Britton, the President's nominee to be U.S. Attorney for the District of North Dakota; John C. Merkel, Jr., the President's nominee to be U.S. Attorney for the Western District of Washington; Albert S. Hinds, the President's nominee to be U.S. Marshal for the Eastern District of Illinois; Rodolfo A. Garza, the President's nominee to be U.S. Marshal for the Western District of Texas; and Harold C. Warren, the President's nominee to be U.S. Marshal for the District of North Dakota.

**ACTS APPROVED BY
THE PRESIDENT**

Approved May 13, 1977

H.R. 11----- Public Law 95-28

An act to increase the authorization for the Local Public Works Capital Development and Investment Act of 1976.

H.R. 4876----- Public Law 95-29

Making economic stimulus appropriations for the fiscal year ending September 30, 1977, and for other purposes.

PRESIDENTIAL DOCUMENTS

Week Ending Friday, May 20, 1977

Equal Employment Opportunity Commission

***Nomination of Eleanor Holmes Norton
To Be a Member. May 16, 1977***

The President today announced that he will nominate Eleanor Holmes Norton, of New York, N.Y., to be a member of the Equal Employment Opportunity Commission. The President also indicated that if confirmed by the Senate, Norton would be designated Chairman of the Commission. Norton is currently a commissioner and chairman of the Commission on Human Rights in New York City.

She was born June 13, 1937, in Washington, D.C. She received a B.A. from Antioch College in 1960, an M.A. in American studies from Yale Graduate School in 1963, and an LL.B. from Yale Law School in 1964.

Norton served as law clerk to Federal District Court Judge A. Leon Higginbotham in 1964 and 1965. She was assistant legal director of the American Civil Liberties Union from 1965 to 1970.

In 1970 Norton became a member and chairman of the New York Commission on Human Rights. From 1971 to 1974 she

also served as executive assistant to the mayor of New York.

She is the author of "Sex Discrimination and the Law" and of numerous articles and book reviews. She has received the "Louise Waterman Wise Award" for work in human rights and the "Outstanding Young Women of America" award.

Council on Environmental Quality

***Nomination of Marion Edey To Be
a Member. May 16, 1977***

The President today announced that he will nominate Marion Edey, of Washington, D.C., to be a member of the Council on Environmental Quality. Ms. Edey is volunteer chairman of the League of Conservation Voters.

Edey was born May 17, 1945, in Washington, D.C. She received a B.A. in political science from Reed College in 1968.

In 1969 Edey worked as legislative assistant to Representative Lester Wolff. In 1970 she became chairman of the League of Conservation Voters.

United States Ambassador to Trinidad and Tobago

**Nomination of Richard K. Fox, Jr.
May 17, 1977**

The President today announced that he will nominate Richard K. Fox, Jr., of Minneapolis, Minn., to be Ambassador Extraordinary and Plenipotentiary of the United States to the Republic of Trinidad and Tobago. Fox is a Foreign Service officer, currently attending the senior seminar in foreign policy at the Foreign Service Institute.

He was born October 22, 1925, in Cincinnati, Ohio. He received an A.B. in 1949 from Indiana University. He served in the U.S. Navy from 1944 to 1946.

Fox was assistant industrial secretary, then industrial secretary for the Urban League from 1950 to 1956. He served as assistant director of the Minnesota Fair Employment Practices Commission from 1956 to 1961.

From 1961 to 1963, Fox served as special assistant to the Deputy Assistant Secretary for Personnel at the State Department. From 1963 to 1965, he was special assistant to the Deputy Under Secretary for Administration.

From 1965 to 1968, Fox was deputy administrative officer in Madrid, and from 1968 to 1970 he was counselor for administration in Madrid. He served as Executive Director of the Bureau of Educational and Cultural Affairs from 1970 to 1973.

Fox was Deputy Assistant Secretary of the Bureau of Educational and Cultural Affairs in 1973 and 1974. In 1974 and 1975 he was Deputy Director of Personnel for career counseling and assignments, and in 1975-76 he was Director of the Office of Career Development and Assignments, Bureau of Personnel.

Fox served as Deputy Director for Personnel during 1976, and since then has been attending the senior seminar in foreign policy. He received the Superior Honor Award in 1964.

United States-Cuba International Fishery Agreement

**Message to the Congress Transmitting
the Agreement. May 17, 1977**

To the Congress of the United States:

In accordance with The Fishery Conservation and Management Act of 1976 (P.L. 94-265), I transmit herewith a governing international fishery agreement between the United States and Cuba, signed at Havana on April 27, 1977.

This Agreement, one of a series to be negotiated in accordance with that legislation, is significant because it is the first to be negotiated personally by representatives of the two governments since 1958. Favorable action by Congress on this Agreement will constitute a tangible step in the improvement of United States-Cuban relations.

In that regard I note that the Fishery Conservation and Management Act provides for 60 calendar days of continuous session for review of the Agreement by Congress. Since the Agreement in all material respects is in accordance with the provisions of the Act, I strongly recommend that the Congress consider extending the provisions of the Fishery Conservation Zone Transition Act (P.L. 95-6) to this Agreement in order that it may be brought into force at the earliest possible date.

JIMMY CARTER

The White House,

May 17, 1977.

NOTE: The message was not issued in the form of a White House press release.

United Auto Workers

**Remarks at the Union's Convention
in Los Angeles. May 17, 1977**

Thank you very much, President Woodcock, distinguished members of the UAW who have come here from all over the Nation to reconfirm what you stand for, to my good friend Doug Fraser and to many people in the audience and behind me, who throughout the last 2 years stood in factory shift lines in the cold and in the rain so that I could become better informed about what a President ought to be, about what our Nation is, and what our future might hold:

It's a very rare occasion that I have a chance to come to a convention. I haven't been to one since I've been President. I may not go to another one this year. But I particularly wanted to come and be with you.

Ordinarily Vice President Mondale is the one who chooses to go and make a speech at the conventions. I had to send him to Yugoslavia to have this chance today. He'll be coming back to our country in about a week, having been to Portugal—a brand-new democracy; to Spain—a brand-new democracy; having visited the President of South Africa to try to work out some solution to the difficult problems in that continent; having met with Marshal Tito in Yugoslavia to reconfirm their independence of the Big Bear to the north of them; and then having come back through England to discuss the common basis on which we approach the future.

So, I'm glad to have a chance to be with you today. I've been talking a lot about conservation, lately, and efficiency in automobiles. When I got off the plane, I was greeted and rode in one of your finest products—a very large, very black Cadillac limousine. *[Laughter]* So, I've enjoyed

so far my visit, and I'm looking forward to the rest of it and to speak to you. Later, I'll be on a 90-minute call-in television show, and then I'm going to visit some of the farmlands around Fresno.

It's no accident that I've chosen the UAW convention to make this speech and to make this appearance. Your union was born in struggle, and you've won many victories. But you've never retreated into complacency or narrow selfishness.

The UAW is still fighting, because this union has always understood that it cannot stand alone. And above every other trade union I know in the world, you've always seen that your membership and your leadership were part of a larger society and a larger world. Very few institutions anywhere have been so fortunate as to have the kind of superb leadership that has always been a mark of the UAW.

For 31 years, this union has been led by men whose vision and sense of responsibility extended far beyond the walls of Solidarity House—men who have demanded decency and a better life not just for the UAW membership but for all the people.

The next president of the UAW has big shoes to fill. I won't predict who's going to win your election tomorrow, although I noticed that Doug Fraser doesn't look too worried.

Seven years ago, when Walter Reuther's¹ life was so tragically cut short, there were predictions that this union would turn inward and would abandon its role as defender of social justice. Leonard Woodcock showed how wrong these predictions were. He's left his mark of support for the poor and the oppressed as clearly as for his own members at the bargaining table.

Recently, as you know, I asked him to undertake an extremely sensitive assign-

¹Former president of the United Auto Workers.

ment in Vietnam. Leonard Woodcock did a superb job. And although he is retiring as president of this international union, he will continue to serve his country in a new, international role. I will soon submit his name to the Senate to be Chief of the U.S. Liaison Office in China, with the rank of Ambassador.

I don't believe anyone in the world who's familiar with international relations would doubt the importance of this assignment. Now some people may wonder why I'm sending a labor leader instead of a professional diplomat to handle such important negotiations. But I think there are some executives at Ford and General Motors and Chrysler and American Motors who might be able to answer that question very well.

We want a tough negotiator. We want someone who understands human sensitivities. We want someone who has the personal integrity to build up trust where doubt now exists. And I know that Leonard Woodcock will fill this role as competently and with as much grace as he has the important job of being president of the UAW.

I have complete confidence in him. And if he'll just help me with a few sensitive things in the Congress, I'm going to even send a translator to China with him to help him out with the language. *[Laughter]*

Today, I want to talk to you briefly about some domestic problems which prey on my mind and rest on my shoulders as your President.

The domestic problems which we do face as Americans are difficult, indeed, but we have the courage and the ingenuity and the greatness of spirit to meet these challenges. I believe that we can build an America in which our day-to-day practices live up to our democratic ideals, in which the family life, mine and yours, is strong and stable, in which the neigh-

borhoods of our cities are vital and safe, in which work is available and is justly rewarded, in which opportunity is not limited by color or sex or religion or economic or educational background, in which there is schooling and employment for the young and dignity and security for the old.

We must work together to control inflation and to get our economy moving again. We must come to terms with the growing shortage of energy which, if ignored, will gravely damage the very fabric of our society. We must safeguard the integrity of our social security system. We must totally reform our tax and our welfare systems. We must ensure the health of the American people. And we must develop a government which is open enough to earn the trust and support of the people in addressing these and other crucial issues, and efficient enough and competent enough to ensure that our efforts will bear fruit.

The achievement of all our goals depends on the first one that I mentioned—a strong and a growing economy.

At the beginning of this administration, less than 4 months ago, our economy was still floundering from the worst recession in 40 years. The well-being of our people was squeezed between the twin pressures of high unemployment and inflation.

That picture has already improved because we have restored the confidence of consumers and business. Last month, the number of Americans with jobs in the private sector of our economy went over 90 million for the first time in our country's history. Eight hundred thousand people have gone off the unemployment rolls since December. Half a million found jobs in April alone. Private surveys have shown that business investment plans for 1977 are up significantly, more than 15 percent, compared to 1976.

Unemployment now stands at the lowest level in 29 months—down a full 1 percent since last November. But of course, you know and I know that a 7-percent unemployment rate is still completely unacceptable. We still have a long way to go.

The equally dangerous threat of inflation is building. Consumer prices reflecting the drought and last winter's cold weather have been going up at an annual rate of about 10 percent in the last 3 months, and the basic inflation rate, under everything else, has been running 6 or 6½ percent.

These inflation figures are too high for comfort. And as you know, also, inflation falls most heavily on people with modest means and people who've worked all their lives for a little security and who then find that security threatened. Inflation robs us of our confidence in the future.

However, it's interesting to point out, at the recent London summit conference, the single issue of most concern to the seven heads of state assembled there was unemployment among young people. In the ideological struggle with the Eastern Socialist and Communist countries, this is our one major vulnerability. We have got to provide in our country an economic system that's healthy enough and an education system that's competent enough so that when our young people reach the age of 18 or 19 years old, they can find a way to use the talent and ability and opportunities that God gave them and not enter adult life discouraged and excluded from society. This ought to be number one in all our efforts in the future.

Experience has shown us and all economists that we must attack inflation and unemployment together. To get our economy moving again, in the short 4 months that I've been in office, we proposed both direct creation of jobs and permanent tax

reduction for the low-income and middle-income taxpayers.

Last week I signed a bill, public works, which will provide both necessary community improvements where you live, plus about 600,000 jobs concentrated in areas of high unemployment.

We have proposed more than doubling the existing jobs program for the long-term unemployed and the young. And Congress has already appropriated the money that we requested to increase public service jobs from 310,000 to 725,000.

I've also proposed—and I believe the Congress will rapidly approve—a major initiative to train our young people and to put them to work in productive jobs in our cities, rural areas, national parks and forests. And in addition to this, above and beyond what I've just described, we will provide work this summer for about 1.1 million young people, more than ever before.

To help our hard-pressed cities, which quite often in the past have not gotten a fair share of governmental opportunity, we've supported—and Congress just passed yesterday—a major expansion of countercyclical revenue sharing, which means that the money goes to the areas that are most in need.

We've also proposed a renewed community block grant program with changes that will stimulate private investment, in particular housing and other developments, and put more of the money into the cities again which need it most.

We support extending the earned-income tax credit for working people and a general, personal tax credit, which together add up to \$6.8 billion annually in individual tax relief, mostly for low- and middle-income families, including those families too poor to owe any income tax.

And also, I will sign into law within the next few days—Congress has already passed—a permanent \$4 billion tax cut

through increases in the standard deductions. Eighty-eight percent of this tax relief will go to families with incomes of less than \$15,000 a year, and 3.3 million low-income taxpayers who now pay taxes will not have to pay any Federal income taxes at all.

Now, this new law will obviously save people money, and it will also create jobs because consumers will have more of their paycheck to keep and to spend for goods that we produce. It's also going to save a lot of headaches next April, because 75 percent of all taxpayers will be able to take a standard deduction and compute their taxes on one side of one sheet of paper in one step.

So, the multiple goals of economic strategy reinforce one another, they work together. The strategy is designed to cut unemployment to below 5 percent by 1981; to work with business and labor, together, to knock 2 percentage points off the inflation rate by the end of 1979; and by the higher revenues that growing employment will bring, to achieve a balanced budget in fiscal year 1981.

Again, I want to stress two points about our economic policies because it's important for you and all Americans to understand. One point is that we aim to balance the budget in 1981 in a strong and healthy economy, with the revenues that come into the Government when people are employed and our industrial capacity is being used.

It's not legitimate spending on human needs that causes Federal deficits. It's principally the inadequate revenues that come in from a sluggish economy that create those deficits. Understanding that is a very good move in the right direction. Cutting back programs that really help people is not the way to balance the budget. But even with adequate revenues, we'll still have to make some hard choices

about how we spend the taxpayers' money. We can't afford to do everything.

The other important point I want to make about the economy is that I'm inalterably opposed to fighting inflation by keeping unemployment high and factories idle. This has been done too much in the past. That approach has been proved in the last 8 years to be economically ineffective and morally bankrupt. If the economy should falter during the years ahead, I will not hesitate to propose the economic and budgetary measures needed to get the economy going again. And you can depend on that.

Now, the second major challenge I want to discuss with you this morning is energy. The energy crisis is the greatest domestic challenge that our country will face in our lifetime. I still find it almost incredible that our country has no coherent plan for dealing with it until this year. We have now proposed such a plan to the Congress and also proposed a new department to deal with the energy question.

This plan is based on three inescapable realities. There's no way to get around them. The first is that we are simply running out of oil. The second is that oil will, nevertheless, have to remain our primary source of energy for many years and must not be wasted. And the third principle is that unless we begin soon to prepare for the transition to other sources of energy, the consequences on our society and our way of life will be very severe.

We could face massive unemployment, crippling inflation, social and political instability, and threats to our freedom of action in international affairs. We cannot just rely on increased production. While finding more oil is important, we would have to discover a new Alaskan oilfield every year just to keep pace with the annual growth in world consumption. No matter how strong the financial incentives, that is simply not going to happen. We

must save oil and gas for uses where there is no good substitute. One obvious example is moving vehicles. We must shift to other sources when possible, and we must develop new sources, such as solar energy.

There are no workers in America whose future jobs depend more than yours on a good energy program based on strict conservation. Now, you know and I know that meeting our energy goals is not going to be easy. It will require sacrifice from everyone in the country.

We cannot use the fuel crisis as an excuse for not cleaning up our air. I have proposed tough but fair air pollution standards. We've got to improve the efficiency of our cars, and that's why I proposed a gas-guzzler tax.

Now you and I have honest differences of opinion over some aspects of my proposals. But I don't hesitate to call on you for help, because I know what you've done in the past. You've never lost sight of the broader interests of our Nation. Walter Reuther helped to make possible the Clean Air Act as it was originally passed. And your members are already building cars highly efficient, getting more than 30 miles per gallon.

It's absolutely inevitable, no matter who's the President of the United States, that we will have to shift to more efficient automobiles with a clean exhaust. This past quarter, unfortunately, a larger percentage of Americans bought foreign-made cars than ever before. Now, I know that you agree that the solution is not to erect trade barriers to keep out foreign competition because it only leads to trade wars, to retaliation, and added inflation. The solution lies in using our great American ingenuity to design and produce the right cars for the future.

I can think of no more disastrous assumption for the American automobile industry to make than that we cannot

successfully compete with foreign companies that produce and sell such cars. We can compete, and we will compete successfully.

Now I want to discuss something that's important to you and me both—our social security system. This is a problem for all Western democracies. Social security, which is probably the greatest legacy left over for us from the New Deal, has served us now for 40 years. But since 1975, social security has been paying out more than it's been taking in. Unless we take action now, the Disability Insurance Fund's reserves will be gone in 2 years, and the retirement reserves will be gone 4 years from then.

Some have proposed a simple solution for this: to tax the American worker to the hilt. Well, we are not going to do that. Too many people are already paying more payroll taxes than they do income taxes, and we are not going to go this route to save the social security system. And we are not going to let social security go broke.

We're going to keep faith with the 33 million Americans who already enjoy social security benefits and with the 104 million of us, who are paying into the social security system with the expectation that we will receive benefits when we retire, or when we become disabled, or those that are necessary to take care of our families if something happens to us.

Now, there's no easy answer, but the changes that I have already submitted to the Congress will make social security financially sound for the rest of the century and will correct most of the problems for the next 75 years—and without a higher tax rate than already scheduled by law for the average wage earner. I'm going to need your help in Congress to get this bill passed, and I hope you'll help me with it.

Our fourth major goal, I want to mention briefly, is our welfare system and our tax system. In both of these cases, tinkering is not going to be enough. They must be thoroughly redesigned. Our present welfare system robs the taxpayers who support it, discourages the people who administer it, and sometimes degrades the people who really do need help. It's an extraordinarily complex and difficult problem, even more so than I had expected.

Two weeks ago I outlined the principles that must underlie the reform of the system, and we will have legislative proposals ready by the end of this summer. We've already begun to move in this direction by simplifying the food stamp program—eliminating the purchase requirement and reforming the eligibility rules.

As for our tax system, it, too, must be reformed through and through. Our tax system was once relatively simple, fair, and progressive. It isn't any more, because it's been changed so much over the years—often for the benefit of those who are rich enough to hire their own lobbyists in Washington. The process of redesign is well underway, and we intend to submit legislation to the Congress for a fair and simple income tax system this year.

Our fifth major concern is the health of our people. On the airplane coming here from Washington early this morning, I had a chance to talk at length with Congressman Jim Corman about the future of our national health program. Good health for every American is one of my primary concerns, and I know it's one of yours. Again, it's a complicated question. If it weren't complicated, the problem would have been solved many years ago.

We must deal with the cause of illness. This means promoting a cleaner environment and safer and healthier work places. And we will be submitting these proposals

in about a week. It means helping our children avoid preventable diseases—as was the case when I was a child and, perhaps, when many of you were young—some 5½ million children will be immunized over the next 30 months.

Also, under our proposed Child Health Assessment Program now before the Congress, 10 million young children will be screened annually by 1982. This is five times more than are presently examined at this time to see what childhood diseases might be prevented as they approach adulthood as students.

In order to make medical care available in inner cities and rural areas, we proposed legislation already that will make nurse practitioners and physicians' assistants available to help fill the gap.

And finally, I'm committed to the phasing-in of a workable national health insurance system. [*Applause*] It's certainly not difficult to guess which union has made national health insurance a national issue. Beginning many months ago, Leonard Woodcock has given me an education about the need and the possible ways for meeting it. He's a member of the advisory committee that will help design the whole system and will hold its first meeting later on this week. And we are aiming to submit legislative proposals early next year.

We must move immediately to start bringing health care costs under control. If we don't—and I want you to listen carefully to this—if we don't bring the health care costs, particularly hospitals, under control, no matter what kind of health system we have in our country, the cost will double every 5 years. Now, we can't afford that. We can't afford that. Hospital costs now take 40 cents of every health dollar, and they've gone up an incredible 1,000 percent since 1950.

I proposed hospital cost containment legislation that would put the brakes on

these increases. Sixty other nations have managed to come up with national health programs that meet the needs of our people—of their people. It's not beyond our own ingenuity to do the same, and I want this program to be established during my time in office.

There's a lot that we can do as consumers. In many instances, medical doctors, hospitals, and others, have been very careless about how much health care actually costs.

Late last month, my wife was found to have a tumor on her breast. She went to Bethesda Hospital about 2 o'clock in the afternoon. She had a long incision made, 4 or 5 inches long, and the tumor was removed. She was back home at 5 o'clock.

Quite often, if doctors and hospitals want to hold down the time we spend in intensive care and the extraordinary cost of medical care, they can do it. But we, as consumers, need to help.

The sixth major need is for an open and efficient Government. Now I've done the best I could to open up the Presidency. I've talked publicly about foreign policy matters that were formerly considered too secret and too complicated for the ears of the American people. I've had frequent press conferences, and I've had direct encounters with people who don't normally get to work—get to talk to a President.

When I leave here this morning, I'll go to one of the Los Angeles television stations and for an hour and a half, I will receive calls from people throughout this part of California asking me questions, unscreened, on any subject they choose.

I feel that it's important for the American people to know what's going on. But I also feel it's important for a President to learn from the people of this country. And I want you to know what the options are and what the problems are and what the possibilities are in complicated matters

like the control of the nuclear weapons, the resolution of problems in southern Africa, the Middle East, and also in domestic questions which I've discussed with you today. I want you to be a partner with me in making our Government be effective and efficient.

There are many other ways that we can build more openness and responsiveness into our system of government. We can make the activities of government officials devote themselves exclusively to the public interest. I've asked the Congress to impose strict financial disclosure requirements for more than 13,000 top Federal Government executives.

This will make it very difficult for high Government officials to have interests which conflict with those of the public. And we should insist on the same high standards for private institutions. That's why I proposed to Congress making foreign bribery by American companies and officials a crime.

I want to mention now a subject that's important to me and to you. I've worked with many of your members trying to overcome the very great difficulties of simply getting free American people registered to vote. We need to open up our electoral system to greater participation. Many working people don't vote because they don't have the time to go through lengthy and needless registration procedures.

Vice President Mondale and I have worked out legislation that would let people register at the polls on the day of a Federal election. There are some powerful, special interests, including the Republican Party, who are trying to kill the electoral reform bill because they don't want working people to register and to vote. I need you to help me get this bill passed through Congress.

And we need to create an agency for consumer protection. Now in Govern-

ment, many of the regulatory agencies that were designed originally to protect consumers have been seduced, and now they protect the industry that's supposed to be regulated. This needs to be changed.

This bill would consolidate consumer advocacy programs that are now scattered ineffectively throughout the maze of Federal agencies. It would just give consumers a voice in Government offices where, too often, the only voices heard have been those of lobbyists for the wealthy and powerful. Now, there are enormous pressures to kill this legislation creating this new consumer agency. I want to make sure that they don't get away with it.

The UAW has long supported the consumer agency and easy registration procedures to vote. Together, I believe we can get both these measures passed this year.

We must also make government more efficient, because we don't have the money to waste on inefficiency, on duplication, or to give handouts to those who can take care of themselves. Waste robs us all. It prevents the realization of our hopes and dreams.

An efficient government means spending money only where it will actually benefit our people. We've proposed a \$350-million increase in the Title I education funds for poor and deprived little children. We've proposed raising the basic opportunity grants from \$1,400 to \$1,800 a year, to help families put their children through college.

But when spending is wasteful—when spending is wasteful—we've moved vigorously to cut it out. We found \$4 billion in water projects that simply couldn't be justified or were more expensive or elaborate than they needed to be.

We are moving to get rid of some of the more than 1,100 advisory commissions in the Federal Government. We are instituting zero-based budgeting, and we are

supporting sunset legislation to help us get rid of programs that have outlived their usefulness.

The more money that we can save that's now being wasted, the more money we'll have without increasing taxes to meet the needs of our people.

We've also begun a complete reorganization of the executive branch, and we are starting at home in the Executive Office of the President.

Now, I believe that we can be fiscally responsible and still satisfy the needs of our people. And I believe that we cannot satisfy our needs unless we are competent and efficient. We can cut both unemployment and inflation. And I believe that our policies will help us reach both goals.

In closing let me say this: We can do these things if we remember that nothing good comes quickly or easily. Every one of these programs that I've outlined to you this morning has been too long ignored.

When I became President, I could see very clearly, as can you, that 4, 8, 12, 20 years ago, these difficult problems should have been addressed. We must make hard choices about how to use our resources, and we must realize that only a lean and efficient government can translate good intentions into actions that will improve the lives of our people.

That's the kind of government I'm determined to have. And I'm going to stick to that determination in spite of whatever criticism may come. And I need you to be partners with me in the next 4 years. [*Applause*]

Just remain standing. And I want to say one other thing. I've just got one final comment to make.

In his final report to this convention, President Leonard Woodcock wrote: "In the United States, we are moving from a period of depression, despair and despondency into a time of renewed hope."

If we work together in our free Nation, that hope will never fade.

Thank you very much. God bless you all.

NOTE: The President spoke at 10:50 a.m. in Yorty Hall at the Los Angeles Convention Center. He was introduced by Leonard Woodcock, president of the UAW.

In his opening remarks, the President referred to Doug Fraser, a UAW vice president, who was elected president of the UAW during the convention, which is held every 3 years.

Los Angeles, California

*Remarks During a Televised Question-and-Answer Session With Area Residents.
May 17, 1977*

MR. DESMOND. This is a KNXT community event, "The People Talk to President Carter."

MS. CHUNG. I am Connie Chung.

MR. BENTI. I am Joseph Benti.

MR. DESMOND. President Carter will be here in just a moment talking face-to-face with the people of southern California for about an hour on television for the first time. Some of the people are here in our audience. They are a representative group selected at random to join us here in the studio.

Then many more people are waiting at five remote locations around southern California also to ask questions of the President. Those live cameras are located in the San Fernando Valley, in south Los Angeles, in east Los Angeles, and on the UCLA campus in Westwood and in Orange County.

Now, ladies and gentlemen, the President of the United States.

THE PRESIDENT. Let me say before the first questions come that I'm very glad to be here. This is part of my own effort to stay in close contact with the American

people while I'm serving in the White House.

ADMINISTRATION POLICIES

I think it helps our country to have all of you know what goes on in the Government. But even more, it helps me and the other leaders who serve you to know what your concerns are, what your thoughts are, what your questions are, so that we can form a partnership in making the final decisions. I've tried to be a lot more open than some Presidents in the past in discussing kind of sensitive and formerly secret things with the people of our Nation concerning options and possibilities relating to the reduction in nuclear arms, or southern Africa, or the Middle East, or our relationships with Cuba or the People's Republic of China or Vietnam, and the same thing with domestic issues, and for me to let you know what I think, and then for you to criticize and debate among yourselves, perhaps, to ensure that I'll make the right decision.

Also, when I do make an announcement concerning very important foreign matters, I think it helps to strengthen our own country's position and influence if the other people outside our own Nation know that I speak for you and that the Congress and the people understand what I'm trying to do, because if I speak in a vacuum, just me or the Secretary of State, quite often the people know that it's in a vacuum.

So, it adds a great deal of strength to our own Government's position for the rest of the world to know that we are working in harmony, that we look at complicated questions from a common viewpoint, that we make our decisions together, and that we are united in carrying out those decisions.

I am going to, this afternoon, take questions for more than an hour. I don't have any idea what the questions are

going to be; I don't claim to know all the answers. So, I might ask you to help me with the answers on occasion. But I'll try to take one from the studio audience and then alternate with the remote stations at five locations in this area.

So, if somebody in the studio audience has a question now, I guess I will——

QUESTIONS

NATIONAL HEALTH INSURANCE

Q. Mr. President, my name is Larry Roberts and I am the administrator of the Southeast Comprehensive Health Center which is located in south central Los Angeles. And what I would like to ask you, sir, is, what is your administration's policy with regard to national health insurance?

THE PRESIDENT. I made a speech to the United Automobile Workers, UAW, this morning in Los Angeles. And I pointed out that I would like to have established a complete national health insurance program before I go out of office. We will be developing the comprehensive proposal, the advisory committee will be meeting for the first time this week, and I would guess that I'll go to the Congress early in 1978 with the basic legislative proposal developed by us.

In the meantime, though, we're trying to do a lot of other things. We are trying to have a prevention of disease among young people, a better immunization program, more physicians, aides, and registered nurses. We're also trying to control hospital costs.

Take the hospitals—particularly among people who don't have much money. Under the recent circumstances we've had a doubling in hospital costs every 5 years. And this means that no matter what our future hospital proposal might be, or comprehensive health proposal might be, or national insurance program might be, if

the cost of medical care is doubling every 5 years, we can't afford it.

So, the first basic thrust this year is for a series of proposals that will help us get hold of what we have at this time.

Early next year we'll propose a comprehensive health program.

VIETNAM REFUGEES

Q. Sir, I'm from Vietnam and I'm from Costa Mesa. I'm a housewife. I want to ask the President and the people of America to help my family from Vietnam to reunite with us here.

THE PRESIDENT. I don't know how to answer your question specifically, but if you'd give your name to one of my aides, who are in the back of the hall, we'll try to investigate your particular problem and see what we can do about it.

We are very proud, by the way, of the fine citizens that people from Vietnam have made in our own country—who are our allies and friends. And I hope that we can help to reunite you with your own family.

Let me go now to the San Fernando Valley and get a question.

FUEL-EFFICIENT AUTOMOBILES

Q. Mr. President, my name is Garrett. I live in Sherman Oaks, California, and I'm in the automobile leasing business. Many clients that we have have been calling us up lately. They have no idea as to your new program that you want to put through, whether it pertains to new cars, old cars. People are asking me and think it would cost as much as \$2,500 taxes on an old vehicle that they have that's a large vehicle. This is car country. In California, our gas mileage consumption is a lot less on a vehicle because the vehicles here have California smog pollution controls on them, whereas in other States a vehicle might get as much as 42 miles per gallon. On a small car, as they advertise

in California, they only get 30, and some of the big cars only get 8, where out of town they would get as much as 13 around the city.

What is it going to do for us in this State that the market has been depressed tremendously in the past 2 weeks? Since the statement that you made about the taxes on automobiles, people are afraid to buy new cars, and they are afraid to buy used cars.

THE PRESIDENT. I think that all our projections show that at the end of the next 7 or 8 years, up until 1985, that there will be no reduction in the purchase or use of American automobiles. In fact, there is a steady growth in the use of the automobiles. The average car now in our country only gets 14 miles per gallon. It weighs 4,100 pounds. The average car in Europe gets almost twice that much on an average per gallon and also weighs, I think, about 2,700 pounds.

No matter who is in the White House, no matter what the Congress does, in the next few years we're going to have to have more efficient automobiles and also ones with exhausts being cleaner.

So, the point is: How do you accommodate the needs of our people and how do you make this transformation so it doesn't cost people money that don't have it? If we do put on the 5-cent per gallon gasoline tax, assuming that our people don't conserve enough to prevent it, then the money would be refunded to those families all over the country.

I would guess that if all this money could go back to the individual families, that someone who had a fairly efficient car, say 20 miles per gallon, and he used it, say, 10,000 miles per year, it wouldn't cost him anything because it would get as much taxes back as they've paid on increased gasoline tax. But we've got to start having more efficient cars.

As you know, the Congress has mandated, even before I got in the White House, that the average gas mileage of an automobile in 1985 must increase up to 27 miles per gallon. And this means that the average car at that time, counting old ones and new ones, too, would be about 18 miles per gallon.

So, I think that we'll have a tax incentive for those who have efficient automobiles. We will phase it in slowly enough so it won't work any hardship on anyone and if several people share an automobile instead of having one person per car, then the cost per person would be much less.

I think, though, that in general there won't be any adverse effect on our economy. It's got to come anyhow, and by careful planning ahead of time, whatever adverse effect does come will not make our people suffer.

Q. Yes, but as I said, Mr. President, even some of the economy vehicles that you were talking about that do get like 42 miles per gallon outside of California only get maybe 29 in California. Even some of the smaller economy cars only get 15 and 18 because of the California pollution. Now this is car country. There are a lot of poor people here that depend on automobiles to get to work. We have no mass transit. So you're asking these people, whether they have a large or small car, to pay a 5-cent tax, which many of these people cannot afford.

THE PRESIDENT. Well, I think we've discussed it about all the time we have. I think you're exaggerating the effect of the control on automobile emissions. You're assuming that a car gets 50 percent less gas mileage just because it has a clean exhaust. But the fact is that in the years to come, there's going to be a much closer relationship between national standards on automobile exhaust and the standards in California.

So, over a period of the next 3 or 4 years, you're going to see California standards and the national standards be about the same. We've got cars that are now being sold, at least used in California, where you have very good mileage and also very clean exhausts.

As I said earlier, no matter who's in the White House, no matter whether my energy package passes or not, in the future we're going to see much more efficient automobiles which we can produce and which we need, and automobiles with exhausts much cleaner, which we can produce and which we need.

ABORTION

Q. President Carter, my name is Mary Jergens and I am a housewife from Irvine. I'm going to ask you a question that I've wanted to ask ever since you started running for President.

During the Presidential campaign you said that you are opposed to abortion. But in 1972, a book was written called "Women in Need" which advocated abortion on demand, and you wrote the foreword to it. Specifically, in the foreword you wrote that women being denied abortions were suffering from a plight, and you pointed out that the book had suggestions for making abortions more freely available in the Nation.

I recently read a newspaper article in which it was stated that Pat Barrio of your Press Office would not comment on whether you've changed your position or not since 1972. But obviously you must have, because you told us, the people, that you had. I'd like to know why, sir, because it is terrifically important.

THE PRESIDENT. I'm glad you asked me the question. It makes me feel like I'm back in the campaign again. [*Laughter*]

The book to which you refer—and that's just excerpts from the foreword, where it's not the total thing; it's just care-

fully extracted phrases—was a book about family planning. The book was written by the medical doctor who was in charge of Georgia's family planning program. The primary emphasis of the family planning program that we had was to make sure that every child that was conceived was a wanted child, and it was designed to help parents who couldn't have children have them, and to teach parents who didn't want to have children how to avoid having their children.

I am against abortion. I think abortion is wrong and I'm doing everything I can as President to hold down the need for abortion. I don't think any woman and her partner ever have intercourse in order to create a child that's going to be destroyed by abortion. It's quite often a mistake or because of ignorance. And to think the best thing to do is prevent the conception of the child ahead of time, and this is something that I think needs to be done with comprehensive programs.

Quite often, the people who are most poor and illiterate and who have a more unstable family life are the ones who have a greater chance to have an illegitimate child.

Joe Califano, who now heads up the Department of HEW, feels the same way I do. And we proposed that the Government not help to finance abortions, for instance, and that we have a comprehensive program to try to prevent the unwanted pregnancies.

So, I am not in favor of abortions and have never been in favor, and I think if you read the whole book and read the whole foreword that you would see that I haven't changed my position.

Q. Sir, it said 3 million abortions a year by 1980 even with good contraception, in the chapter on abortion. And I know that didn't sound like what you said. And I figured that you read the book before you wrote the foreword, but perhaps

you thought they were being pessimistic. So, I am glad to hear that really you assume 3 million is too much.

THE PRESIDENT. I think any abortions are too much.

Q. Bless you. Thank you.

MENTAL HEALTH CARE

Q. Mr. President, my name is Janet Verstina and I'm a registered nurse, live in Fullerton. I work at Canyon General Hospital.

My concern is: What are your views on the direction of the mental health movement, the cost to the country of decentralizing, reducing the number of State-run facilities and moving the patient back into the community? How do you feel about that movement?

THE PRESIDENT. I think the best way to answer your question is to describe very briefly what we did in Georgia. My wife kind of headed up the program in Georgia just as a volunteer. And she is doing the same thing for me now that I'm President. We've established a Commission on Mental Health that will make a report to me next September.

When I became the Governor of our State, there was a standard procedure that if someone was afflicted with a problem of any kind concerning mental capability, that they were put in a State institution at enormous expense to the public and with very little treatment for the children of all ages.

We changed that and shifted the patients out into the communities, created community centers. We employed retired school teachers; the mothers of some of the, for instance, retarded children taught those young people how to live a useful life at much less expense to the taxpayer. This is the thrust that I think we should institute throughout the country.

I think the children should stay close to home. If they have the capability, they

should be taught to do simple chores around the home. They should be given the feeling that they have some use in their life, and I think that they should be trained to such an extent that they can provide an actual help to their parents.

But I think to incarcerate those young people or old people who have mental problems in institutions ought to be done only as a last resort, and when they are in the institutions that they ought to actually get some treatment and not just be warehoused and have the attendants just make sure they don't hurt themselves.

Q. Do you approve of California's program of reducing the number of our State hospitals? And we are doing that in California right now.

THE PRESIDENT. I favor that very strongly. I think when I went into office we had about 12,000 patients in our central hospital in Milledgeville, Georgia. When I went out of office, we had about 5,000. We created in the meantime 75 or 80 community mental treatment centers.

Q. Thank you, Mr. President.

THE PRESIDENT. Shall we take somebody in south Los Angeles?

AMERICANS AND FOREIGN JUSTICE

Q. Mr. President, I am one of the Arkansas Carters. I'd like to make a suggestion, I suppose, rather than ask a question. I'd like to address myself to the plight of the 600 or so young people in prison, in Mexico prisons, on drug charges.

Last Friday night, I don't know whether you know this or not, but one of those fellows died. He was 26 years old. His name was John Wesley Calhoun from Bartonsville, Oklahoma. For the last 3 years—our son was arrested in October of 1973—my wife and I have spent a good, considerable part of our personal funds and a great deal of time getting together parents and concerned people

about the need to alleviate some of the suffering we found down there, and we found an enormous erosion of spirit among these kids. They think their lives are forfeit. They are both young men and young women and for the most part they are not criminals or of a criminal mind.

And I would like to make this suggestion. Since Mexico has voiced a willingness to let these people go, I'd like to have them brought home and sorted out here. It would seem like a humane thing to do because they have suffered enormous tortures and privation and they are in very uncertain situations. They are very fearful, and it seems to me that since Mexico is of this state of mind, this treaty that's being considered back in Washington is apples and oranges, as far as the two systems of justice go.

We have been asked to come back next month to testify, my wife and I, up before Senator Sparkman's committee. But the treaty is not going, to my mind, won't work, because the two systems—one is the judicial system of Mexico—is different from ours. And we hope that you might see a way clear to give this some sort of priority treatment because these kids are losing faith and losing hope, and their lives are forfeit and they are not that bad.

THE PRESIDENT. Thank you very much.

The first visitor that I had when I got into the White House, from a foreign nation, was President López Portillo from Mexico. One of the items that we discussed, quite at length, was the treaty that relates to the exchange of prisoners between our own country and Mexico.

I agree with you completely, and I will do all I can, and I am glad that you made that statement—I hope a lot of people are listening. But I'll do all I can to make sure that the young people that are from our country, who are in prison in Mexico, are very quickly exchanged.

I do believe that the treaty is the best approach to it. And in my opinion, it won't be too long before we will have this exchange of prisoners.

Q. Sir, may I make one added comment?

THE PRESIDENT. Please.

Q. On the Napoleonic Code, where a man could be alleged in the wrong and be incarcerated—in our system, the state has to prove its case. In Mexico, this is not true.

I talked to Professor Faut in New York City, in December, about this. He was at that time heading up this in the State Department. My wife was back for a television show with him.

It seems to me that you're asking American citizens who are coming home from those prisons in Mexico to be incarcerated in essentially their own prison for the benefit of the Mexican Government, which I think the Napoleonic Code just does not apply in our system of justice.

THE PRESIDENT. I can't debate the law with you because, unlike yourself, I am not a lawyer. But I do believe that regardless of whether we can change the Mexican system of government or they can change ours, as far as the judiciary goes, that's one question.

But getting the young people from Mexican prisons transferred to our country is something that I believe we can achieve, and I think I can assure you that it will be achieved.

Q. Their whole system was what I had in mind.

THE PRESIDENT. I understand.

Yes, sir?

FBI DIRECTOR

Q. Mr. President, my name is Gerald Smith. I live in the city of Long Beach. I'm a hospital social worker there at the county hospital.

My questions concern the next Director of the FBI. I was wondering if you're considering anybody from California for that post?

THE PRESIDENT. I would guess we are. [Laughter] What I've done in that case is to bring together a selection committee who will serve for about, I think, 45 more days. They have now narrowed their choices down to 50 people. I understand they're going to interview 50 different people who are applicants for the job of FBI Director.

One of the people who serves on the committee, by the way, is Clarence Kelley, the present Director, to help choose his successor. He'll be leaving later on this year. And I don't know the names of the people who are being considered.

They'll make a recommendation to me of, I think, five names of the people in the whole Nation who they think are best qualified to head up the FBI, and from those five names that they recommend, I will choose, along with the Attorney General, the Director of the FBI. But I can't tell you whether or not those people are from California. I would guess, though, because of the size of your State, and so forth, that it's likely that one of them would be from California.

Q. Thank you, Mr. President.

ILLEGAL ALIENS

THE PRESIDENT. Let me go to east Los Angeles then I'll—

Q. Hello, Mr. President. My name is Jimmy Lopez. I live in east L.A. I go to East L.A. College. I also support myself with photography. I first of all would like to say it's good to know that we have a President who's taking time out, as much as he can, for the people, instead of just playing politics.

I would like to go into now my topic, which concerns illegal aliens. I am to

understand that you are considering amnesty to illegal aliens, which I am myself against—mainly for—really for a number of reasons, such as for those of us who are born citizens, who are working here now; we are paying social security. As I can understand, we give amnesty to illegal aliens. They would be eligible for benefits such as social security, which means we are going to take out a large cut of our social security to support these people coming from across the border, when I believe our money should go to the people who have priority, which are our born citizens.

And also, the same money, I believe, is going to the refugees who came over from Vietnam.

Sir, it's great to know that we're helping out people as much as we can from overseas and next to our country, which is fantastic. But I believe that we have priority. We bring these people over and try to help them out. How about us? They can end up using more energy, for instance, like we have a shortage of. They can end up using more fuel that we have a shortage of. And I think we should take care of ourselves first, before we try to help somebody else. We have to make sure we can help ourselves out first.

So, sure, give amnesty to the aliens, but let's help ourselves out first. That's what I really believe. Let's support ourselves.

THE PRESIDENT. With the exception of a few Indians, we're all immigrants. [Laughter] This is one of the most difficult questions with which I have to deal, and within the next couple of weeks I'll make a decision about what ought to be done about the problem with the undocumented workers, or aliens. It's a difficult thing to say.

There are three basic elements. One is, of course, to try to stop the very large number who come into this country. We

don't know exactly how many come in every year, but I would guess it's approaching a million. And the number seems to be increasing every year.

Secondly, I think we do need to treat with some understanding people who have come in here perhaps 5 years ago, 10 years ago, 15, 20, 25 years ago illegally, welcomed by American employers to come in and take a job when they couldn't get enough workers. And I don't think we need to go into every home in the United States and search that house to see who has and who has not an ability to prove that they are native-born Americans or have come in legally. You just couldn't do it, even if you wanted to.

So, there has to be some way to deal with those that are already here. I think the third thing that we need to do is to make it difficult, if not illegal, for an employer to encourage the illegal workers to come into this country and then not pay them fair wages, and also not pay the standard deductions for unemployment compensation, workmen's compensation, and social security. But it's a complicated question. It's a very sensitive question. If it wasn't, it would have been solved before. But my inclination is to try to do what we can to stop the large flood of immigrations coming in; secondly, to let some of those who've been here for a number of years have an opportunity to become American citizens and make it much more unattractive for employers to encourage undocumented workers to come in for employment.

Those three elements are going to be part of any solution and, of course, I'll present it to the Congress and do the best I can to get the legislation passed.

Q. Mr. President, I'm sure it would also—I'm sure one thing also to take into consideration is the effect on, mainly those people, those foreign citizens who

live along the borderline, especially like around here in southern California and around Texas, those along the border, because not only will it take away more of our social security pay but I'm sure it would also mean more jobs would be taken from us. I'm sure we would want those who come over to work legally and not, to put it bluntly, to get ripped off in their pay. Let's consider those here first who are unemployed. Let them get the jobs first. Then maybe we can——

THE PRESIDENT. Jimmy, I think you have to remember that the alternative to taking action is to continue like we're doing now. And we don't want to continue as we are at the present time.

BLACKS AND EMPLOYMENT

Q. I am Burdell Moore. I am a member of the board of directors of Watts Health Foundation, and I am an all-around community worker, especially in health. And I would like to know these jobs that you are considering in HEW and SBA. And I see that you—and I would like to know how many of these jobs are—will any black person be appointed to these jobs?

As you and I know, we are the only group of people, especially here in California, that didn't play tic-tac-toe during your election. [*Laughter*] We gave all our votes to you.

THE PRESIDENT. Thank you. I can assure you that there are no jobs that will be offered for which black people will not be considered, and I think we've established now a very good acceptance at the top levels of Government and I hope it'll go down through all the levels of government for a showing that black people can serve well.

We've got, as you know, our Ambassador to the United Nations, we've got the Director of HUD, which is in charge of all housing and urban development pro-

grams, who both happen to be black; the Secretary of the Army also happens to be black, and within those departments, not only the top level, we are hiring a lot of people who—

Q. But they didn't come from California, and that's what I'm interested in. And my health center is in one of the biggest designated poverty sections of all and my house still—Martin Luther King is in there—

THE PRESIDENT. I've been there.

Q. I know you've been there. And you also know that we didn't, as I say, play tic-tac-toe with you in the election, and we do not expect for you to play tic-tac-toe with us in these jobs.

Thank you.

THE PRESIDENT. Let me go to UCLA; and then I'll be back. The lady in the red dress, I will get you next.

NATIONAL ENERGY PLAN

Q. Hi. My name is Torve Carlson. I live in west L.A. I major in motion pictures here at UCLA. My question is this: Why does your energy package ask the American people to sacrifice more than it does the large corporations?

THE PRESIDENT. I don't believe it does, Torve. I believe we've got a well-balanced energy package. The thrust of it is that we have got to conserve and quit wasting energy. There are several things that we've done, I think, to make sure we don't favor the large corporations. For instance, the oil companies will not be permitted to raise the price of the oil that has already been discovered. We are requiring that many of the companies around the Nation that presently use very scarce oil and natural gas shift to coal. They pay their share of the taxes and they don't get any of the rebates.

As we increase, for instance, the price of gas, natural gas, the homeowners will

be refunded the amount of increase in the tax on gas, but businesses will not. But I think in balance, neither the private citizens nor the large business managers, say either one, get an unfair advantage. The energy package is now being debated in the Congress, and I think if there are any inequities or unfairness about it, they were caused by error on our part; they'll be corrected. But I don't think it is an accurate assessment to say that business gets a break.

Q. Why wasn't solar energy given more of a push?

THE PRESIDENT. Well, there is. In the past we've spent almost all of our money on nuclear power research and development, particularly with heavy emphasis on the breeder. I don't think we need to build the breeder reactor anytime soon.

I've terminated that project and I hope the Congress will go along with me. And we're going to shift a lot of the research and development money that used to go almost exclusively for nuclear power research into solar power. So, we're going to get a much heavier emphasis on solar energy in the future.

Q. Thank you.

THE PRESIDENT. Thank you, Torve.

DRUG ADDICTION

Q. Thank you, Mr. President, I love you, too. [*Laughter*]

Mr. President, pregnant addicts and juvenile drug abusers and battered children have absolutely no resources for which to turn. Will you be setting aside some special fund to help these people?

My name is Marion Grendell. I'm the division chief for the Narcotics Information Service under the department of community development.

THE PRESIDENT. Well, the Director of the drug program in the Federal Government now is Dr. Peter Bourne, who was

also the director, just coincidentally, in Georgia when I was Governor. He went from me to Washington and stayed there several years before I got to be President.

The major effort in the drug field, of course, is the treatment of addicts and, of course, the prevention of addictive drug abusers being brought into our country.

Under the comprehensive health proposals that we are pursuing, including the mental health programs as well, there is a recognition that alcoholism or drug addiction are not only preventable but also can be treated after a person is addicted.

There's also a need for us to recognize that you don't have to have scarce and exotic drugs like heroin before somebody can be damaged, because barbiturates, for instance, are by far the major cause of death among all drugs, and they are prescribed sometimes. Sometimes they are not even controlled by prescription. So, a comprehensive analysis of the entire drug field, including both alcohol and the addictive and non-addictive drugs, plus a treatment of those who are damaged by the drugs, will be a part of our prevention program, our crime control problem, our community treatment program, and also our comprehensive health program.

Q. This is a special program, Mr. President. What we have is the average—I have been in this field about 22 years. Women have absolutely no specialties where the addicted pregnant woman is concerned, the stringent rules and regulations. And also for housing juvenile drug abusers, they almost have to become hardcore before we can get places to put them, and also the battered children, which is really an intricate part of this drug abuse.

So, I'm hoping that you'll take a look at that and give us a little special fund toward it.

Thank you.

THE PRESIDENT. Thank you very much.

Let's go to Orange County. I see I have a very young interrogator there.

HOUSING

Q. Hello, Mr. President.

THE PRESIDENT. How are you?

Q. I am Linda Gashler and this is my daughter Jennifer, and I am a housewife in Orange County. Mr. President, my husband and I and my daughter are all apartment dwellers here in Orange County. Some day we'd like to have a house. However, I am not sure if you are aware, but the average cost of a single-family dwelling in Orange County is now well over \$100,000.

I would like to know, Mr. President, is there any way that the Federal Government can help us out and get some housing?

THE PRESIDENT. I think so, Linda. I'd like for you and your Jennifer and your husband to have a home of your own if you want it. We've just begun to address the housing question. I think this last month we had the highest rate of new homes that were begun to be constructed in the history of our country.

We're trying to hold down interest rates as best we can. We're trying to supplement low-cost housing, and we're trying, through the community block grant program, under the Housing and Urban Development Department, to set aside I think about \$7 billion for the reconstitution of neighborhoods, the repair of old homes and the guarantee of loans for young families like your own.

I don't know what the income of your husband might be, but I think it's going to be perhaps quite difficult for him to purchase a \$100,000 home in the first few years of marriage. I know I couldn't have afforded it. But I think for a more modest

home, perhaps one that has been used in the past but still have a lot of living to be done in it, that you all might be able to afford it.

I think that we have now gotten the housing industry turned around. As you know, it was in a dormant stage. And with the comprehensive guarantee of home loans, the repair capabilities and the community block grant program, combined with the lowest interest rates and the least inflation that we can maintain, perhaps you'll have a chance in the future.

I wish I could give you a better answer than that, but I can't.

Q. Thank you very much, Mr. President.

THE PRESIDENT. Good luck to you, Linda.

Yes, sir, in the red jacket?

MILITARY COMMISSARIES

Q. Mr. President, my name is Randall Tucker from Fullerton, U.S. Navy retired, and my question pertains to the military.

What percent of commissaries do you expect to be closed in the next 4 years, and what area will be affected the most, and why?

THE PRESIDENT. Well, I don't expect any appreciable number of the commissaries to be closed. The only proposal that I've ever heard about the PX's or the commissaries, is that they be self-supporting; that enough be charged in the prices of the goods that Navy and other military people buy just to pay the cost of operation of the commissary. But I don't think that's too tight a constraint to put on the military personnel.

I was in the Navy for 11 years myself. And I can't remember now. I wouldn't have any way to know if the commissaries paid their own way. But I don't

think it's unreasonable for the taxpayers to demand that the military at least pay enough for goods they buy to cover operating expenses.

Q. Thank you, sir.

THE PRESIDENT. Yes, in the San Fernando Valley?

U.S. POSTAL SERVICE

Q. Mr. Kit Rhodes from the San Fernando. My question is about postal subsidy. We can put a man on the Moon, we can get TV pictures back from Mars, and yet it still takes 2 days to get a letter from down the street. We subsidize airlines, trains, airplane manufacturers, and yet the post office money is a cutback. Why is this?

And also with the reduction of service, Saturdays dropped, reluctance to hire, and all the methods that the Postal Service is trying to cut back on moneys to keep within their budget, it's just cutting down on service to the people.

Mr. President, will you support a postal subsidy bill and bring up the service to the quality that the people expect and deserve?

THE PRESIDENT. Well, I haven't even been in office 4 months yet. [Laughter] I haven't been able to do much about the post office. The history of the independent post office structure which we presently have, as you know, has been one where the Congress quite frequently has approved postal subsidies so that the rate of mailing can be maintained as low as possible.

I wouldn't want to make a promise to you now that no matter what happened in the future I would support a postal subsidy bill. But I certainly will do all I can.

As you know, the President has no authority over the post office at all. But I'll certainly do all I can to study the

question. I'll just have to reserve the right in the future to decide when to join with the Congress, as has been the case in the past, in putting tax money in addition to the mail rates charged. I don't know how to answer that question any better.

Q. Thank you, Mr. President.

THE PRESIDENT. I'm sorry. But the post office is one of the things, as you know, that's no longer under the President. It's primarily under the Congress.

GOVERNMENT REORGANIZATION;
ENERGY PRICES; TAX REFORM

Q. Bob Gabler from South Pasadena. Mr. President, I'd like to give you a three-part before-and-after question. First, in very general terms, you expressed hopes in the campaign, gave us hope in the campaign, that you'd be able to reorganize the executive branch for more efficiency and hopefully less interference in their daily lives. Having been on the job for 4 months and coming against the hard rocks reality, do you still have such hopes? What do you see as the future role of the Federal Government, and what role for the State government?

THE PRESIDENT. Fine. You want to ask the other question now?

Q. I'll give you all three if you like.

THE PRESIDENT. All right. Go ahead.

Q. Second, more specifically.

THE PRESIDENT. I don't know if I can answer three, but go ahead. *[Laughter]*

Q. Again, during the campaign you expressed that the control of natural gas for 20 years had proven counter-productive, that we discouraged new supplies and encouraged wasteful use. Then in your energy speech, I see you've now changed to a position of extending price controls even to local gas that's not interstate commerce, and, of course, continuing oil controls forever. Could you show us the reasons that caused you to reassess your position on that?

Then, the last one is, again, at some risk to yourself during the campaign, you expressed the opinion that in tax reform we should remove the double taxation on dividends. What is your current position on that? So, recapping: The role of the Federal and State, gas and oil controls, and double taxation dividends.

THE PRESIDENT. Well, in the first place, I do think that we have an excellent chance completely to reorganize the executive branch of Government to make it more efficient, more effective, more open, more sensitive, and more competent. We've already begun along this road.

The Congress has now given me authority to carry out reorganization. I would guess before the end of next month, I would have the first plan submitted to the Congress relating to the Executive Office of the President. We'll follow with the multiplicity of agencies that now relate to equal employment and we'll go into electronic data processing and other major shifts.

We also are setting up a new department of energy which is part of a reorganization plan. I think that in the Federal-State relationships, my own inclination is to give the local and State governments as much authority as they can and will assume.

Whenever there's a choice to be made between the Federal Government doing something and the State or local governments doing something, my preference is to let the government do it that's closest to the people. I try to mirror in every decision I make that basic philosophy.

On natural gas decontrol, we are, in effect, decontrolling natural gas to a major degree. We're setting the price on natural gas at a level, the same as oil, and its equivalent heat value. The one thing that you mentioned there is true. We are proposing that there be a blending in, in

the future of gas that's produced and sold within a State, compared to the gas that's produced within a State and shipped across State lines.

Now we have an extremely high price being charged in States that produce natural gas, particularly like Texas and Louisiana where the price of gas is over \$2 at the wellhead. In addition to that, we have a great scarcity of gas being shipped across State lines. So, I think that to make all of them being under the same degree of regulation and to let the price of new discovered natural gas go up at the same level with oil, is a good approach.

On the double taxation of dividends, I'll have my first meeting this week on a comprehensive tax reform package. One of the hopes that we still have and will maintain is to remove the double taxation of dividends.

Q. Thank you. We appreciate your being here.

THE PRESIDENT. Yes, sir. South Los Angeles. Go ahead.

SOCIAL SECURITY SYSTEM

Q. Mr. President, I am Jule Blake from Wilmington, California. My question today is, how much more rip-off must the people that pay social security will be able to realize in your administration due to the fact, I, with 79 quarters into social security and I've been disabled since 1969. I cannot get a dime. I have a daughter that's 14 years old. She can't get a dime. I have gone to five medical specialists and all said that I'm permanently unfit for duty to perform any type of work.

But at the same time we have a guy that heads the social security department known as the referee to some people, but to me he's just another rip-off artist because the doctor says no work, and you go before him and he said, well, go find something light to do. And I've been

looking for that light job and I haven't been able to come up with it yet.

And at the same time, if we must have this referee, why can't we have a jury along with the referee rather than just one guy sitting at the end of the table ripping off the people in the social security department?

THE PRESIDENT. Well, I hope we'll have less rip-off under my own administration than we have had in the past.

The question that you've asked me is one that I cannot answer as President. But I'd like to have your—if you'll let me know what your name and address is, by writing me at the White House. And just point out that you asked me this question. I'll try to look into your particular case, or at least have the director of the Social Security office do it.

We now have a social security system that is rapidly going broke because we've paid out more benefits than we're taking in. And in the last week I've submitted to the Congress a proposal that will make the social security system be sound once again and take in enough so that we can have a reserve supply, and you can depend on it the rest of your life.

I presume that the difference in your own case is that the social security administrator or referee, as you call him—I think he's referred to also as a rip-off artist—[laughter]—doesn't agree that you have a disability adequate to draw payments; is that correct?

Q. Well, that's his opinion, but the five doctors, including the medical authorities at the Government hospital, the Government doctors that found me permanently unfit in 1969, and it's their medical record that shows that I'm permanently unfit.

THE PRESIDENT. I don't think I can handle it here on the television. If you'll contact me at the White House, either call and say that you were on this program and give me your name and address;

I'll ask the director of the Social Security Administration in Washington to look into your particular case. Okay?

Q. I thank you very much.

THE PRESIDENT. You're certainly welcome.

Yes, ma'am?

MAINTENANCE OF URBAN AREAS

Q. My name is Lillian Abelson, and I come from the city of Santa Monica. We were blessed to have Arbor Day and blessed by Governor Brown on Sunday, and now to come here, be with you is just a thrill of a lifetime.

My question is this: I am interested in the visual environment of our city. It's a small city and like you said, you'd rather have the city officials take care of town things. But my question is this: How can we encourage the out-of-town landlords to take pride in upgrading their business neighborhoods?

Thank you.

THE PRESIDENT. Thank you. Well, I think if all of the residents who occupy the apartments and homes would contact the landlords, that might help. I think if your city officials were approached by those same residents, and if unsightly occurrences were pointed out, that would be helpful.

I think if any law is violated about an improper maintenance of property, that would certainly be worthy of the attention of a lawyer or the judicial system.

I don't know how to answer your question, not knowing the circumstances, but I believe that most landlords, if brought face-to-face, either with their tenants or with the city officials, or with the law, depending on the degree of their violation of propriety and duty, I think you would get their attention. But I don't know how to answer your question better than that.

Q. Mr. President, may I just add something?

THE PRESIDENT. Please.

Q. What about the graffiti? I know we're working on these spray cans. They're going to be outlawed at a future date. Could there be some kind of a—like a fund put aside in the city or somewhere where the residents or business people can go and buy a couple of gallons of paint to clean up the walls that have been sprayed—on their neighborhoods or homes?

THE PRESIDENT. I think that would be a good idea.

Q. Great. Thank you.

THE PRESIDENT. East Los Angeles?

MASS TRANSPORTATION

Q. Good afternoon, Mr. President. My name is Rick Arroyo. I live in east L.A. I work for the Southern California Rapid Transit District. I'd like to know your ideas on mass transit, when we've got so many cars polluting our city and plus the fact that the fares are a little outrageous for the people that are living on fixed incomes.

THE PRESIDENT. It's inevitable in the future that we're going to have more efficient cars, as I've already mentioned; cars with cleaner exhausts, which I've already mentioned; more people riding per car than we've got now and a strong shift toward rapid transit.

In a city like Los Angeles, where people are spread out so much, I think you probably have about the same number of people per square mile as Atlanta, say 800, you don't really need the highly expensive subway and rail system as much as some communities do.

In New York City, for instance, or Manhattan, they have over 20,000 people per square mile, and they need to go underground because of the density of population. But I would guess that in the future there'll be a lot greater attention paid by the Federal Government and its

aid programs, and also by local governments, and demands from commuters to use rapid transit.

My own guess is that the first step ought to be, though, toward a bus system, probably rubber-tired bus, maybe later even propelled by electricity for the time being, propelled by gasoline or diesel oil—and I would guess it'll be a long time in the future, if ever, before Los Angeles will have to make a major move toward any sort of rail transportation system.

I would guess that as the prices of energy go up in the future, no matter what the administration might think, there's going to be a shift in the directions that I have outlined to you. So, I'm strongly in favor of increasing the rapid transit systems, but in a city like Los Angeles, I would say that surface transportation probably without rail would be the first major move.

Q. What would you do to better the system here in L.A.—not necessarily here in L.A., but throughout the Nation? Get a better system for the people? Maybe they'd want to leave their cars home and take a bus to work.

THE PRESIDENT. I know. I don't know. When I was Governor of Georgia, when I was in the legislature, we set up the Atlanta Metropolitan Rapid Transit System, and we put a limit on the fares of only 10 cents. Obviously, when you have the lower fares, more people use the buses, you get more cars off the road. But this meant that we had to supplement the expenses because 10 cents doesn't pay the total operating costs.

So, the people voluntarily voted for a 1-cent sales tax, all of which went to support the rapid transit system. I believe that it's accurate to say that those who had their own automobiles were very glad to pay a 1-cent tax to cut down on the traffic during working hours, and to see

more people shift to the rapid transit system.

So, there's such a wide range of kinds of communities that it's almost impossible to say what would work in Atlanta would also work in Los Angeles, and vice versa. But I think there's going to be a major thrust of both Federal and State and local governments toward a more rapid transit system, each one of which will have to be designed specifically for the community involved.

COAL

Q. Mr. President, I'd like to ask you about the possibility of coal being used to fire some of our power generators here in southern California, and how far away the possibility of that just might be. We're currently buying most of our natural gas from Texas now and we do have some natural gas underground here that we could get out, but it wouldn't last a long time. How far away do you see that as being and do you think we should be encouraged to start extracting the natural gases and low-sulfur fuel that we have here now?

THE PRESIDENT. California has a unique energy problem, or opportunity. In the first place, you've got an extraordinarily small portion of your energy from coal. In my own home State, Georgia, 85 percent of all the electricity is produced by coal. In California, practically none of it. I would guess that over 90 percent of your own energy needs in this State come from oil and natural gas, but maybe 4 or 5 percent coming from hydroelectric power dams.

I doubt that in the southern part of California, where you have a very serious air pollution problem, that there would be any early prospect of shifting to coal because there's no doubt that coal creates more air pollution than the oil and natural gas do.

We have experiments going on, as you know, with what's called—you're probably familiar with the fluid bed combustion system where coal is very finely ground and kept suspended in air, and it burns almost completely and the exhaust is relatively clean. And of course, you have very expensive scrubbers that go into the stacks as well. But I would guess that southern California, because of air pollution problems, would have very little prospect in the immediate future of shifting to coal.

OIL AND GAS PRODUCTION

Q. In your energy package, I noticed that there was not any particular emphasis on beginning to extract new oil and new gas within the United States. And when you were campaigning for the Presidency, I recall that one of your major goals was that of balancing the budget. And the deficit in our balance of payments is brought about by the purchases of fossil fuels from the OPEC nations. Why haven't you put more emphasis on the extraction of fossil fuels here within the United States?

THE PRESIDENT. Well, as a matter of fact, we have. I think if you read the proposal very carefully you'll see that newly discovered oil, for instance, has a price on it equivalent to the international oil price, which is about \$13 per barrel, which is an adequate incentive for exploration in the most enthusiastic way.

We've had a substantial increase in recent years in the amount of money spent for oil exploration, the amount of wells drilled. The fact is, we're just running out of oil. And we've had on an average, I'd say the last 6 or 8 years, of about a 6-percent reduction every year on the amount of oil that's produced in the United States. We're going to continue to go down, in my opinion.

If we set an extremely high price for newly discovered oil, even above the inter-

national price, which will be impossible, I don't think we would still have enough oil discovered to bring back the American production above what it is now. We are trying to cut down on the amount of oil imported. We project that by 1985, unless we do something about conservation, we're going to be importing about 16 million barrels of oil every day. Now we're importing about 7 million barrels per day.

If we go through with the energy proposal that I've given to the Congress, then we can actually cut down on the imported oil by 1985 to about 6 million barrels a day. But we are robbing the American people, really, and have a very serious negative balance of trade, because we are buying so much oil overseas. We now waste about exactly as much energy in our country that we could save as we import in oil from overseas.

So, we have given the oil companies enough incentive to explore for new oil and natural gas by letting their price for oil come up to the international price. But in spite of that, we're just running out of oil.

Q. I understand. Thank you.

THE PRESIDENT. Let me go to UCLA.

JOB OPPORTUNITIES FOR COLLEGE GRADUATES

Q. Mr. President, my question—like some of those you've already had—comes out of my personal situation. I'm finishing a doctorate, but with college enrollments down, jobs of research disciplines are pretty scarce.

I'm wondering, with all of the emphasis on public works, if there is a plan in your unemployment program to help keep young scientists and scholars, especially the newly trained ones that aren't ensconced already in universities, in work and working for the country?

THE PRESIDENT. What is your special field?

Q. I'm in experimental psychology.

THE PRESIDENT. Very fine. I think that it's going to be a very good chance for you to have employment.

Q. I hope you're right. I am not fishing for a job.

THE PRESIDENT. I think we're going to shift more and more in the future looking at matters from the historical perspective towards the sciences that deal with human beings and with the quality of life, and with expansion of the enjoyment of existence and with better health opportunities, the assimilation of more knowledge and the working of the human mind. I think no matter what happens, that's going to come to pass.

So, I think that we also are going to see that our country has gone too far in letting other nations get ahead of us in basic research and also, of course, in applied research. And I personally have had a background in conventions, maybe we ought to move in the other direction, not only in the human sciences that you referred to and that I have talked about but also in the earth sciences for the preservation of the quality of the environment, and the dealing with the energy shortages.

So, I think that as we explore persons' interrelationships in the future that there's going to be a heavier emphasis on research and development than there has been in recent years.

Q. Can I just ask—

THE PRESIDENT. Please.

Q. —do you see research needs being so closely coupled to college enrollments in the future?

THE PRESIDENT. I don't think we've done a very good job in the past in trying to interrelate the graduates of college with prospective job opportunities. Obviously, when you go into a graduate program like your own, which probably took 3 or 4 years above the undergraduate level, you have to guess 4 years in the future what

the opportunities are going to be and what the needs are going to be.

Although it's never going to be an exact science, I think we've got to go a long way in higher education institutions and also in the Government, particularly the Department of Labor and so forth, Department of HEW, in trying to match in a predictable way the jobs that are going to be available, and that graduates are going to be coming out of our colleges, so the jobs will be there when you get ready to graduate. It's not an exact science, obviously, but I think we'll be better off in the future than we have been in the past.

Good luck to you, by the way.

Q. Thank you very much.

THE PRESIDENT. You have a beautiful smile.

Q. So do you. [*Laughter*]

RETIREMENT

Q. Welcome to California, Mr. President.

THE PRESIDENT. Thank you.

Q. Margaret Myers. My question is in regard to the 55- or 65-year-old American who is forced to retire at this age with a very small income. My question is, would you sign and support Congressman Claude Pepper of Florida in his bill to eliminate forced retirement in the public and the Federal sector? And thank you.

THE PRESIDENT. I presume that you mean the forced retirement that exists below the age of 65? I think I would support that. I'm not familiar with the detailed legislation, but it seems to me unfair—

Q. Thank you very much.

THE PRESIDENT. —to force retirement from the public sector until you reach the age when you can retire on social security. Yes, ma'am. Thank you.

HOSPITAL COSTS

Q. Mr. President, my name is Mike Robbins. I have two quick things I'd like you to respond to. I'm wearing two hats today. Number one, I represent the California political network, many of who are here today. Raise your hands. You all there—members of the network.

Okay, we banded together during your campaign to assure your victory in the black community. I'm sure that you know that we were very successful. What we would like for you to also be aware of, at the present time, there are no provisions for any input from our organization, and many of those throughout the country into your administration, in terms of policies and employment opportunities. And we'd like for you to consider—

THE PRESIDENT. Just one person in the United States that's talking to me right now, and that's you. [*Laughter and applause*]

Q. Very good.

THE PRESIDENT. So you've got a direct input right this minute. [*Laughter*]

Q. Also, I'd like to let you know that I'm representing the Health Systems Agency for Los Angeles County. We're very much concerned with the fact that your cost containment bill, also public bill 93-641, which established the HSA's—we have a unique situation in Los Angeles County inasmuch as 85 percent of the hospitals in Los Angeles County are under the 4,000 admissions per year.

I'd like for you to take a look at that because we have a particular situation there. Also, we need to have the individual HSA's have more authority and the time for evaluating the needs for certificate of needs. Presently we can only review and comment. And we'd like to have a little more time.

Thank you very much, sir, and welcome to California.

THE PRESIDENT. Thank you. I think you probably know that one of the major things that we've got to do is to control the rapidly increasing prices charged by hospitals for treatment. We have now reached the point where the cost of hospital care is doubling every 5 years. Since 1950 the hospital costs have gone up more than a thousand percent. So we're not trying to work any hardship on treatment centers. But we just want to put kind of a lid on how much the prices of hospital care go up every year. But that comment's very good for me. It'll be a lot of help.

Let me go to Orange County now.

WATER SHORTAGES

Q. Hello. My name is Linus Rawls. I'm 17 years old. I live in Orange City in Orange County. I work at Hunter's Books here in Bassin Square.

California is headed for a serious drought. I'm wondering if we could get a Federal grant for the research and development of a water treatment plant to change sea water into drinkable and usable water. CBS "60 Minutes" last week had a program on an Arab country that was doing just this. And I'm wondering why we can't do that also.

THE PRESIDENT. Thank you. We've had, as you know, research projects for desalinization plants, Linus. But so far, at least, we've had enough plentiful fresh water so that it's much cheaper than the very expensive water derived from sea water.

In Israel, in Saudi Arabia, in Iran, as you pointed out, where energy is fairly plentiful to provide the heat that's required, and where water is extremely scarce, it is economically feasible to desalinate or take salt out of water to make it drinkable.

I think in the future this will be the case in our own country. The basic research and development has been done,

and once you get to the production plants like I've just described, then you really are searching for, little bit more efficient ways to perform the extraction of fresh water.

I'm going to leave here in just a few minutes and go to the Fresno area to visit some farmland to see how seriously the water level has dropped because of your long-standing drought, and to see what prospects might be existing next year unless you get some rain in some parts of California.

We will continue the research and development program and desalinization plants. But I think the easiest and the best and most fruitful and inexpensive thing to do about fresh water is to have a strong conservation program and quit wasting it.

We now have seen, for instance, in Marin County, north of San Francisco, that when they really tried, they cut back on the use of fresh water more than 50 percent. Los Angeles has now set a goal to cut back on fresh water use by about 10 percent. The mayor told me this morning that he could very easily go to 25 percent. But I think rather than spend an awful lot of money going to very expensive desalinization plants, the first step ought to be to go to very strong conservation efforts, and not waste the fresh water that we have.

Did you have a followup question, Linus?

Q. Well, in other words, you're saying that we're not going to go thirsty, but we probably will lose some crops this summer?

THE PRESIDENT. I think it'd be a very difficult thing to plan on water derived from desalinization plants to irrigate crops. It's so extremely expensive and it takes such a large amount of energy.

So, to make water for drinking purposes in cases of extreme drought, desalinization is probably effective because it's such a precious way to use water. But to

produce water from sea water to irrigate crops, I don't believe that you or I will ever see it in our lifetime economically feasible. It'd just be entirely too expensive.

One more question, and then I have to go to Fresno. Yes?

Q. My name is Doug Patton. I am an industrial designer at Cal State, Long Beach. My question is, in view of your outlook and stance on human rights, and in view of the fact that in the past the U.S. has often supported South Africa in the United Nations, can you tell me if we will continue to support our interest in South Africa by offering support in the U.N. or not?

SOUTH AFRICA

THE PRESIDENT. We're trying as best we can to make changes in South Africa. We have just formed, under the leadership of Andrew Young, who's our Ambassador to the U.N., a five-nation proposal to Prime Minister Vorster from South Africa, to try to get them to withdraw the white domination of Namibia, which was formerly a German colony of southwest Africa.

Vice President Mondale has just finished a visit to Portugal and Spain. He's going to Yugoslavia and then he is going to come back to Vienna. Prime Minister Vorster from South Africa is coming to Vienna to meet him to talk about the shift in South Africa away from the racially discriminatory practices known as apartheid. We're doing the best we can to bring about these changes.

There have been 25 or 30 nations in the last couple of months that have let it be known to us that they've taken good steps toward preserving human rights. I believe it's accurate to say that there's hardly a government in the world right now that's not trying to do a better job on human rights, partially because we've made such an issue of it.

As you know, all the signatories of the Helsinki agreement—I think there are about 35 of us—will go to Belgrade later on this spring to assess how well our countries have done in the field of human rights. We're not perfect ourselves.

Since I have been in office, for instance, I've changed the regulations so that American citizens for the first time can visit any foreign country. In the past, we had very tight constraints on visitors visiting back and forth. But we're not supporting South Africa. We are very eager to see, and willing to use, all the leverage that we can to bring about an end to racial discrimination in South Africa and an end to the apartheid system where the black people have to carry passes and have special constraints on them, and the white people don't.

But we don't have the authority short of war, which we wouldn't consider, to go in and just change the structure of their government. But we're not only trying to move ourselves but we're trying to get other nations to join in with us.

You might be interested in knowing that the other four nations that have joined with us with the help of Andrew Young were: the Federal Republic of Germany, France, Great Britain and Canada.

We've gone to Vorster now and given him a request—a little bit stronger than a request, saying that if you don't do something about Namibia, then we're going to take strong action against you in the United Nations.

Let me say how grateful I am to all of you for letting me come to be with you. I don't claim to know all the answers. I'm just like you are. I'm searching for the ability and the understanding to do a good job as President. And I need to have your support when you think I'm right, and your strong expressions of criticism when you think I'm wrong.

I think though that I will minimize the mistakes that I make by staying close to you. The questions that I've had today are very broad in their scope, from dealing with South Africa, about apartheid, to how to have a more beautiful city, and to stop graffiti, in a place near one's home. This is a kind of sense that I need as President to understand what is of concern to you.

I'm very grateful that you've come today. I'll try to do the kind of job that will make you proud of your own country because I think that we make mistakes on occasion, but I think it's good for us to remember that as free people we still live in the greatest country on Earth.

Q. Mr. President, why has it taken you so long to come back to California?

THE PRESIDENT. Well, I've been very few places since I've been in office. I've only been to Plains once. So I've been to Los Angeles as much as I've been to my home.

I think the first few months that I am in the White House, possibly this first whole year, I need to stay close to my work. I've got so much to learn, and we've approached some major questions that have been ignored for a long time. The energy policy should have been done a long time ago, I have had to do that. The basic welfare reform package, we'll be ready to go with that this year.

We're working on health. We're working on social security. We're trying to deal with the Middle Eastern questions. We're trying to deal with the Russians on SALT, and this is a time consuming thing.

And I might add that I really enjoy it. There's no place that I would rather be than in the White House late at night in my office working on things that I think are both important and stimulating, and also very exciting. But I'll come to California every time I get a chance.

Q. Thank you. Is there anything that you heard today that you think might cause you to change policy?

THE PRESIDENT. Well, I think some of the questions about health care, for instance, the pregnant women who are drug addicts and the children who get—the battered children—it's hard to know where to place those particular programs. Is it under the drug treatment program? Is it under the health program? Is it a comprehensive thing? Is it better to give direct financial aid to local communities and let them do it?

But I was impressed today with the large number of questions that related directly to health.

Q. Mr. President, we've been asked to let you go because you have to go look at our drought.

NOTE: The program began at 12:30 p.m. at KNXT-TV studios in Los Angeles. The President answered questions addressed to him by members of the studio audience and people located at five other locations in the Los Angeles area. The President was introduced by KNXT-TV general manager Chris Desmond.

Los Angeles, California

Informal Exchange With Reporters Outside the KNXT-TV Studios. May 17, 1977

REPORTER. Mr. President, what did you think?

THE PRESIDENT. I enjoyed it.

Q. Did you?

THE PRESIDENT. Yes.

Q. Did they ask good questions? It is not really much you could do much about, is it?

THE PRESIDENT. Well, a lot of their questions are things that I can't know about, like graffiti, you know, in some of the California small towns. But it gives

me a good sense of what is of concern to people.

I was impressed by the large number of questions, for instance, about health care.

Q. Would you consider those as national?

THE PRESIDENT. Well, I would consider it. We're just trying to probe around for different ways to—

Q. Do you think it would work on a national basis?

THE PRESIDENT. I would think so. I thought it worked well on the telephone call-in. But it helps me to have the questions because we read them over very carefully afterwards. We try to analyze what's on people's minds. And this was a wide range of subjects, all the way, as you noticed, from energy questions to employment opportunities to health care.

Q. Anything in particular that you took away from this today?

THE PRESIDENT. Just a feeling of closeness.

Q. They're not shy about asking tough questions, are they?

THE PRESIDENT. I noticed that.

Q. President Carter, do you plan any more of these? This is your second one now on radio and TV in a month and a half. Do you plan more?

THE PRESIDENT. I think so.

Q. Thank you, sir.

NOTE: The President spoke at 1:50 p.m.

Fresno, California

Remarks on Arrival at Fresno Airport. May 17, 1977

Thank you very much. Mayor Whitehurst and Senator Cranston, Governor Brown, Congressmen Sisk and Krebs, and distinguished members of the California General Assembly and the Senate, Lieu-

tenant Governor Merv Dymally, and fellow farmers:

I'm glad to be out of the White House back into one of the most beautiful farming areas in the whole world. Thank you for coming out to meet me.

This is my third trip to the Fresno Airport. This is the largest crowd I've ever had, and I've got the largest plane I ever had.

Part of the reason that I have the large plane and the large crowd is your own confidence in me. And one of the reasons that I wanted to come here today is to learn at first hand, as a farmer, myself, and as a President, about the special problems that face our country because of your own drought conditions.

When we came in from Los Angeles, we passed over Fresno and went up into the mountain area to look at the water reservoirs that ordinarily this time of year are filled to the brim by melting snow. They're almost empty, and there is very little snow, if any, in the mountains.

There's no way that any of us, including the President, can make it rain. But we can share the experience of prospective agricultural disaster by making very careful plans ahead of time and by understanding the consequences of a lack of rain.

We all know that you've already suffered. The first ones who feel the effect of drought are the cattle producers who have had to start depleting their crop—their herds, by sale of even breeding stock, because of the high cost of hay and the lack of adequate grazing land.

Areas which ordinarily are natural grazing areas, instead of being a beautiful, springtime green are a brown color. And we know also that the recreation areas in the mountains, the ski resorts are suffering very badly.

Water levels are falling underground, and some of the irrigation ditches that ordinarily bring in water to replenish your underground supplies are bone dry. This is a time of careful planning for the future between the Federal Government, the State and local governments, and the farmers and residents in this beautiful supply area for food.

We now have a total Federal drought program that consists of about \$1,200 million. About \$400 million of this money will be available for direct grants in aid for the farm areas. About \$800 million of that total are available for guaranteed or low-interest loans. But this is not going to be an adequate amount if you don't receive rain this year and snow in your mountains next winter. We all pray that we'll return to a normal degree of rain and snowfall. But if not, we ought to make plans now on how we can use a limited supply of money and a limited reservoir of water in the most careful and conservative fashion.

We need to start thinking about deeper wells. I think you still have an adequate area to go and deeper supplies of water before you hit the salt water content that would be damaging to your crops. We need to make sure that we shift very rapidly to the kinds of irrigation that don't waste water. The drip area, the drip supply system, which was developed in Israel, is now being used, which makes every drop of water go a maximum degree in growing a crop.

We need to make plans to be sure that the surface of small reservoirs is covered with materials that cut down on the amount of evaporation, and everyone who lives in an urban area needs to be aware that when you use an extra gallon of water, it robs you in the future.

I'm very proud of the resilience and the strength and the courage and the in-

dependence and the insight and the careful planning that's been part of your lives ever since this area was settled and began to depend upon a careful utilization of both land and water supplies.

I hope that in the future we can learn more in Washington about how to work harmoniously with you. And the Members of Congress and the U.S. Senate here on the platform with me, the members of your own general assembly and your Governor are all working as closely as is humanly possible to share plans for the future.

I'm going to leave here and visit a couple of farms so that I can understand better as President the practical problems that are faced by prospective drought. You've probably noticed in the news that in the areas north of San Francisco, in Marin County, that with strict conservation measures they've cut down the use of water more than 55 percent. This is the kind of thing that might be necessary in many areas of our country in months to come.

I think you see already the need for this kind of close care of what we have. Your area is perhaps the richest agricultural producing area in the world. What you do here not only affects your own prosperity and your own income but it affects the rest of our Nation. And the degree of inflation that's going to take place next year that robs every consumer to a major degree will be decided in California, depending upon how much rain we get, how bountiful your harvests are, the supplies of adequate food, and the prices that result if shortages occur.

So, I'm here to learn, to let you know how interested I am in your future, and to share with you a commitment that whatever God gives us in the future we'll use it to the best interest of us all.

I'm glad we live in the kind of country where the Congress, the President, the State and local officials can work closely with the citizens of our Nation and where the citizens—farmers and consumers—can have an input in the decisionmaking process of government.

I'll try to do the best I can. I think I bring one advantage to the White House—that I farmed most of my life myself. I know that farmers are very seldom satisfied. We often complain about the weather, but I can say that you have a real reason and an excuse for complaining this year.

But I believe and I hope that the future might bring us better rainfall, and whether it comes or not, I believe we can weather this problem and we can continue to serve the rest of the Nation as you have for so long.

So, thank you for letting me come. Thank you for the tremendous welcome. I really appreciate your support and your confidence. Thanks a lot.

NOTE. The President spoke at 3:40 p.m. He was introduced by Dan Whitehurst, mayor of Fresno, Calif. The President's flight from Los Angeles to Fresno included a 20-minute fly-over of reservoirs affected by the drought. During the flight, the President was briefed on the subject by District Conservationist Morris A. Martin, Jr., of the Soil Conservation Service, Department of Agriculture.

Reedley, California

*Remarks and a Question-and-Answer Session
Following a Tour of the Kryder Farm.
May 17, 1977*

WESTERN DROUGHT

THE PRESIDENT. I think anybody could turn around and look at the valley and see the beauty of this place and the

extraordinary productivity of this part of the world. They've had in this whole region an unprecedented drought. And although on the surface it doesn't show up so starkly, those who analyze the present and future prospects are quite deeply concerned.

This small mountain behind me, this time of year, would ordinarily be covered with green grass 2 or 3 feet deep, which is being used in normal times for grazing. Silva produces beef cattle over to near those other hills. And he's had to sell already 65 percent of his beef cattle herd because there's just nothing for them to eat. And because of the drought last year and so far this year, the price of hay, which ordinarily would be \$50 or \$60 a ton, is between \$85 and \$100 a ton. At the price of cattle now at the market, it's impossible to produce them. So what he's had to do is just to sell his cattle. If the rains come, and the snows in the winter come, then he'd have to replenish his whole herd by purchasing brood stock again.

This farm on which we are now standing was formerly a cattle ranch, and it now, of course, produces olives and plums and a young orchard of peaches. And this is an area that is presently irrigated from a well that is on this farm itself. They don't receive any irrigation water from the reservoirs in the mountains.

The purpose of my visit here is to try to anticipate the devastating effect next year, not only in this valley region but throughout the country, if the drought should continue.

We all saw a temporary aberration of very high food costs brought about by the few weeks of winter weather this year. And if the drought should continue throughout 1977 and 1978, as it has been in the last 18 months, the production of food in this region—which is the most

highly productive region, perhaps, in the world—would be drastically reduced. Many crops that would have been planted this year have not been planted. And some farmers, in order to conserve the limited water they have and to keep their vines and trees alive, have had to knock off all the fruit—grapes, citrus, olives, and so forth—and let what scarce water there is just go to sustaining the tree itself and not producing the crop.

This is probably going to be much more prevalent later on this year. And you've probably noticed, coming here from Fresno, that the main irrigation ditch, which ordinarily would be full this time of the year, is completely dry. Some of the metropolitan areas, including Fresno, use water that is permitted to seep into the ground during high water times of the year, and then the water is later pumped out of the ground with underground wells. This year there won't be any replenishment of those ground water supplies, and the water level is falling 6 or 8 feet per year.

So, what we see here is the first stages of what could be a national problem of great severity. We have proposed already to the Congress aid for these farmers—long-term loans at low-interest rates and some direct grants which might permit them to drill deeper wells, to line irrigation ditches with plastic so that water won't be lost, and also to prepare for a low crop yield this year.

We have seen the reservoirs that we flew over in the mountains. Ordinarily, they would be brimming full, with adequate snow still on the mountaintops to replenish them for several weeks. But there is no snow on the mountains now, and the reservoirs are maybe a third full and being depleted quite rapidly.

This is very important for me to understand. I've not been familiar with many different crops. Red Martin says that they

produce 200 different kinds of crops in this valley alone.

I don't know how to answer questions very well about it, but if you have any questions for a few minutes, I'm sure the farmers behind me or the conservation specialists would be glad to answer your questions.

QUESTIONS

WATER RESOURCE PROJECTS

Q. During your campaign when you were running for President, you criticized President Ford's veto of so many projects without consulting Congress. You have vetoed about 17 water projects without really consulting Congress. Do you feel that you've lost support there that you might need for your energy programs, the arms limitation talks, and do you feel that the people deserve a second thinking on those water projects?

THE PRESIDENT. Well, we've had a second thinking on the projects. As a matter of fact, we have about 300 water projects in the country under construction or under plans having been approved. After a very careful reassessment of the 35 most doubtful projects, I recommended that 18 of them not be built. That's 18 out of 300. It's very important not to waste money on unnecessary projects, which means that you can't spend money on projects that are necessary now and in the future.

I've not vetoed any bills of Congress yet. And I'm trying to work with the Congress in deleting those projects as they approve the appropriations for that subject this year.

I do reserve the right, though, to veto items that the Congress passes if I believe very deeply that they are mistaken. There's got to be some rationale brought into the approval of projects. In the past, quite often those kinds of undertakings were created simply because of the influ-

ence of a Congressperson in getting some special deal for one district when the overall national priorities were not that much a consideration.

But I think we've brought some realism into this proposal. As a matter of fact, in California we did not disapprove any projects. The only holdup is on the Auburn Dam, and the main reason—the only reason for the holding up there is to determine if it is safe. It's on an earthquake fault zone area, and if that dam should be built and should fail, as one did recently in Idaho, it would destroy, for instance, the city of Sacramento. So, we don't want to take any chances there. But that's the only one in California that has been held up, because we think they are needed.

WESTERN DROUGHT

Q. Mr. President, what do you do next year if it gets worse?

THE PRESIDENT. Well, there's nothing that we can do if it gets worse. One reason I wanted to come to this farm is because they've shifted to a very efficient means of using what scarce water there is. You probably noticed a little hose down alongside the trees with one drip nozzle on it. That nozzle puts out about one gallon of water per hour—is that right?—and this uses for a given irrigation need, only about 25 percent of the water that would be required if other means of irrigation were pursued.

So, I think there would be a shifting toward more efficient methods of irrigation, a drastic cutback in the number of acres that are harvested. And obviously, this has been one of the means by which the farmers have seen the interrelationship between different areas of this country and how to conserve water that formerly has been spent and wasted quite prolifically.

So, I think that the main thing that we could do is just to provide financial aid

to tide them over. As I mentioned in Fresno, there's a total appropriation in prospect of \$1.2 billion—about \$400 million of that is for direct grants to farmers; the other \$800 million, roughly, would be for loans. And the decision of how that money should be used within the broad framework established by the Department of Agriculture and the Congress would be decided by each individual farmer involved.

INFLATION

Q. Mr. President, what about your goal for reducing inflation down 2 percentage points if this drought continues?

THE PRESIDENT. Well, this would have a serious, adverse impact on inflation because it would affect the price of food, and particularly because this is such a bountifully productive region. Of course, my goal for inflation control is in 2 or 3 years in the future. And we could take a temporary setback, I think, and still reach that goal. But obviously, a food shortage and extended drought would mean a much greater pressure for higher inflationary trends. There's no way to get around it.

WESTERN DROUGHT

Q. Mr. President, you talked to some of the area farmers for awhile. What impressions are you going to go away with from this area? What can you do to help—*[inaudible]*.

THE PRESIDENT. Well, the severity of the drought is something that I didn't understand until I came here and talked to the people involved. The surface appearance, the fact that the trees are still green, is misleading.

The depletion of the reservoirs, the absence of replenishment of underground water supplies, the necessity for a drastic cutback in the frequency of irrigation, the dropping of the water level below ground,

the absence of snow in the mountains are things that accumulatively have made a great impact on me. And we have proposed already an additional amount of Federal help, roughly \$800 million. The total amount that's presently to be approved, as I said, is about \$1.2 billion.

And I would say that California would get a very large portion of this because of the quantity of food that's produced here and because the severity of the drought is greater in California than any other place. So, a major part of this drought aid would come to this region.

Q. Mr. President, there are some people in this area who feel that an hour or an hour and a half isn't long enough to really understand the problems of this valley. Do you think it's been long enough?

THE PRESIDENT. Well, I don't claim to know all the problems of the valley, and I wish I could spend more time here. But, of course, this is my third visit to the Fresno area. The last time I was here was at the Erving Farm, just a few miles up the road. And Bob Bergland has been here, the Secretary of Agriculture, and, of course, we work very closely with Soil and Water Conservation District Managers like Red Martin behind me. And we also, of course, work with the State officials, including legislators and Governors and others. So, I think the whole mechanism involved in analyzing the severity of the drought is adequate, which I think helps to overcome the very brief time that I could spend here myself.

But for me to understand it personally, as a President, as a farmer, I think will stand me in good stead as developments take place in the next few months. With the quantity of rain, I can estimate much more easily the beneficial effects of it. And with the extension of the drought, I think I can estimate very accurately the need for additional support and help.

Q. Sir, do you support ground water regulation by the government for the first time?

THE PRESIDENT. I think that the ground water regulation is going to have to come. It ought to be done, though, by organizations of farmers themselves. One of the questions that we were just discussing with the two farmers a few minutes ago is who is going to decide, when water does get scarce, which kinds of crops get water and which ones have to do without.

The first crops to go without water would probably be permanent pasture and rangeland, and then different kinds of trees would come in an order of priority for the quantity of food they produce and the value of the food.

I don't think that the Federal Government could ever get involved in it. I don't think the State general assembly or the Governor could decide. I think that the farmers in each region like this valley, through a committee, ought to set up ahead of time the rules for determining who gets water and how much, and then let the conservation measures be an integral part of that process and let the decision be made by, perhaps, the Federal administrators who control the water reservoirs about how much water goes to that region. But the allocation of water among farmers and among crops ought to be decided by farmer committees in the communities involved.

One more question.

Q. Mr. President, do you see the possibility that you might increase the limit of 2,500 per farm under the emergency drought relief?

THE PRESIDENT. I think that's a possibility. I don't know how to answer that question yet. My first hope, of course, is that the rains will come and the drought will be alleviated. And if that should not

occur, then I think you would have to balance two things: one is the maintenance of support and income of the farm families themselves; and secondly, and this would apply to the larger farms, the production of food for the Nation. And of course the first priority, I think, would be for the smaller farmers whose families' livelihood is dependent upon getting adequate Federal aid. When the question of adequate food supplies builds up as a major necessity, then I think the larger allocation for the larger farmers might come into play. But that would be a second priority.

Thank you very much.

REPORTER. Thank you, sir.

NOTE: The President spoke at 5 p.m. at the farm of Charles and Genie Kryder. Prior to his remarks, the President toured the farm accompanied by Chuck Kryder, Manuel Silva, and Morris A. Martin, Jr., of the Soil Conservation Service, Department of Agriculture. Following his remarks, the President went to Fresno Airport for the return trip to Washington, D.C.

Foreign Intelligence Surveillance

Remarks of the President, Attorney General Bell, and Several Members of Congress on Proposed Legislation. May 18, 1977

THE PRESIDENT. One of the most difficult tasks in a free society like our own is the correlation between adequate intelligence to guarantee our Nation's security on the one hand, and the preservation of basic human rights on the other—a freedom from unnecessary governmental intrusion, a freedom from the abuse of power by those who are charged with major responsibilities and who have major capabilities brought about by their office—and this has been a question in foreign intelligence that has escaped a solution for a long time in our country.

We've worked very closely with the congressional leaders who have been concerned about this question long before I became President. And I think it's accurate to say that this morning we will disclose, and there will be proposed for passage in Congress, legislation that will successfully resolve this inherent conflict. With very careful judicial review, with the acquisition of warrants from the judiciary, working with myself, the intelligence agencies of our Government, the Attorney General, and monitored closely by Congress, I think we'll have a mechanism in the future whereby our own country's security can be preserved, adequate intelligence can be derived, and the rights of our citizens and also foreigners in our country can be preserved.

This is a very delicate question. It's one on which almost complete unanimity has been derived between myself and the intelligence groups, Attorney General, and the Congress Members behind me. And the Attorney General will now explain in detail and introduce to you Members of Congress who will go into some depth in response to your own questions about how this achievement has been reached.

My hope is that the Congress will pass this legislation without delay. I think it will be a major step forward in our country in resolving some of the questions that cause so much dissension and so much distrust in the months gone by.

Griffin, thank you very much for letting me come out. I'll listen to some of the presentation and then I'll have to go.

ATTORNEY GENERAL BELL. *Mr. President, Members of the Congress:*

One of the great things that's happened in our country in the past 25 years has been the renaissance in the area of the Bill of Rights, in particularly the refur-

bishment of the 14th amendment by the Supreme Court in the sixties. They say from every action there is always a reaction. And the reaction was—once we started concentrating on vindicating individual rights—was the closer examination of some of the intelligence gathering agencies of the Government and a good deal of criticism about the way some of the gathering was being carried on, particularly as it respected American citizens.

And it seems to me, it seems to the President, that one of the prime duties of the new administration and the new Congress is to restore the confidence of the American people in all of our institutions. This is nowhere more true than in intelligence gathering. And in that capacity, we have some legislation now that's designed to bring the judiciary into the process. I think the American people trust the judiciary, and they will have more confidence in the system if we have the executive, the congressional and the judiciary all tied into the process so as to have one check the other. That is essentially what this bill, this legislation does. It brings the judiciary in where they issue the warrants and, in most instances, they check to see if true foreign intelligence is involved.

If this legislation becomes law, proposed legislation, there'll be no American citizen in the future who will ever be electronically surveilled without a judicial warrant.

And that's really the gist of the bill. It's a technical piece of legislation. It's something that is sorely needed in our country. And I want to introduce now, some of the people in the Congress who have long had an interest in this same subject, who have introduced legislation in the past, and call on each one of them to make some short remarks.

Senator Kennedy has had a deep interest in this matter for at least 2 years. And he's going to introduce a bill in the Senate. So, I want him to address us at this time. Senator Kennedy.

SENATOR KENNEDY. First of all, I want to congratulate President Carter and General Bell for the very great support and leadership that they have provided in breathing new life into the 4th amendment and protecting the liberties of the American people. I think their leadership in this important legislative achievement will be extremely helpful to us in the Senate and in the House of Representatives in insuring the passage of this legislation.

They have really built on a strong record that was made by former General Levi and by the leadership in the Senate by Senator Nelson and Senator Mathias, Senator Phil Hart, who have—over the period of the time that I've been in the United States Senate, for some 14 years—have really been the leaders in the United States Senate.

I think all Americans, particularly in recent times, have been very much aware of the abuses in the area of the right to privacy and the abuses of the electronic devices in violating the privacy of American individuals.

And I believe that this important piece of legislation can really remedy that particular abuse of the past. It will effectively guarantee to all persons as the 4th amendment prescribes, all persons, that their rights of privacy will be preserved under law. And I think that this will be an important achievement in preserving those particular liberties.

I again thank the President, General Bell, for the very strong support and leadership that they have given to us in

the Senate and in the House of Representatives on this legislation.

ATTORNEY GENERAL BELL. Thank you, Senator Kennedy. Chairman Rodino of the House Judiciary Committee has had a similar interest in this legislation, and he has agreed to introduce the bill in the House. I'd like to call on him now for some remarks. Chairman Rodino.

REPRESENTATIVE RODINO. *Mr. President, General Bell, Members of Congress:*

I'm delighted to participate in these proceedings and to introduce the measure which I'm sure is in keeping, Mr. President, with the pledge that you made to the people when you were elected that our Government would be as decent as the people it serves. I think this is a decent piece of legislation. This is a fair piece of legislation.

And I want to commend you, Mr. President, the Attorney General, the Members of Congress, and all of those who participated in the deliberations. We've had to walk a fine line between assuring that we would be free from the abuses that we've seen in the past whereby the rights of individuals were violated, the constitutionally protected rights, and the responsibility of government to insure that it would be free from the terroristic attacks that we have seen from espionage and from the theft of information that is necessary for the security of our Nation.

I think this is really walking the fine line. And the people who have participated in bringing together this piece of legislation are to be commended for their ability to be able to recognize that the American people are looking for us in Government to assure that there is fairness, that there is decency, there is justice, even though we talk about protecting the national security.

And I want to say, Mr. President, that I'm proud to be part of this. And I hope that we readily get on to the enactment of this legislation which will conform with the 4th amendment rights of all individuals to be protected from unreasonable searches and seizures.

Thank you.

ATTORNEY GENERAL BELL. Members of the press may wonder how this group was selected. This is the Senate Judiciary Committee, a good portion of the House Judiciary Committee, and the Senate Select Committee on Intelligence. Every person here has a deep interest in what we are trying to do and all, we hope, are going to join in the movement. Not all will speak, but I want to have several other speakers say something because they are sort of speaking in a representative capacity.

Senator Eastland is chairman of the Senate Judiciary Committee, and I hope he'll give us a few words.

SENATOR EASTLAND. *Mr. President, General Bell:*

I think that this bill is vitally needed in this country, and I'm glad that all sides have gotten together. Some of you might know, I'm very partial to the FBI, and they tell me they are supporting this bill. Thank you. [*Laughter*]

ATTORNEY GENERAL BELL. Senator Inouye was not able to be here this morning, and I'm sorry he could not be here. He wanted to be. Senator Thurmond is the ranking member of the Senate Judiciary Committee and has a deep interest in intelligence matters, military matters, and I want to hear from him now if he'll say something.

SENATOR THURMOND. *Mr. President, Mr. Attorney General, my colleagues in the Congress:*

I am convinced from my service on the Armed Services Committee, the Judiciary Committee and the Intelligence Committee last year that we need legislation of this

kind. There is no question that our national security demands that we collect foreign intelligence. Electronic surveillance is one of the best ways to do that.

On the other hand, we must protect the rights of citizens. Under this bill, the citizens' rights will be protected. A warrant will have to be obtained from a judge and there will have to be a showing that it is needed and then if the showing is proper, it will be granted. I join in this bill because I think it is necessary to protect our national security and that it will protect the rights of American citizens.

ATTORNEY GENERAL BELL. Thank you, Senator. Senator John McClellan from Arkansas is an expert in the Senate on criminal law, constitutional rights, and he's had a chance to look at this bill and he's with us this morning. I was not sure he would be able to be here. He came, and I appreciate it very much. Senator McClellan, we'd like to hear from you.

SENATOR MCCLELLAN. *Mr. President, General Bell, my colleagues:*

I had the opportunity in the last Congress to cosponsor a similar bill, not identical, so I'm not a new convert to this proposition. I think it is incumbent upon the Congress to provide the executive branch of the Government, the Justice Department, with every tool under the Constitution that is needed to help protect this Government, to gather foreign intelligence, and in any other respect to enforce the laws of the land—of course, without jeopardizing in any way or trespassing upon the liberties of the citizen.

Thank you.

ATTORNEY GENERAL BELL. Thank you, Senator. Senator Birch Bayh is chairman of the Subcommittee of the Intelligence Committee on Rights of Americans. He's made a careful study of this bill. He's agreed to be a cosponsor or co-introducer, and we'd like to hear from him now. Senator Bayh.

SENATOR BAYH. *Mr. President, Mr. Attorney General, my colleagues:*

I think this is one of the finest examples of cooperation between the executive branch and the legislative branch I've seen since I've been in the Senate. Mr. President, I want to say to you, sir, and to the Attorney General and the Vice President, in absentia—because he's played an important role in this, too—and your respective staffs, how much those of us on the Hill who have legislative responsibility appreciate the give and take that has transpired as this bill has been put together.

The Intelligence Committee was structured in response to some of the abuses that were rather apparent. It benefits none of us to relive those abuses, but there are a lot of cynics out there wondering whether this committee is going to be any more than just the paper Senate Res. 400. Last year, we started our responsibilities in the legislative field by looking at the wiretap bill. I think the hearings brought out certain things that could improve the bill and, indeed, Attorney General Levi was cooperative with us, and I'm glad to say that this administration in some areas has gone even farther than we recommended last year.

There are still two or three areas that I think are going to be the product of give and take. But this, in my judgment, is a launching pad, the first step toward bringing our intelligence communities under a rule of law and striking that delicate balance between providing the security necessary for our country and protecting the rights of Americans.

Thank you, Mr. President.

ATTORNEY GENERAL BELL. Senator, I'm glad you mentioned the Vice President. He's out of the country, but I wouldn't want the morning to pass without saying that he worked a great deal on this joint venture that we are presenting this morning. He had a lot to do with the

legislation, with drafting it, with mediating between the various groups.

Senator Charles Mathias of Maryland has worked very hard on this type of legislation last year and the year before. He honors us this morning with his presence. I'd like to call on him.

SENATOR MATHIAS. Thank you, Mr. Attorney General. It takes a lot more than just rhetoric to run a great republic like ours; it takes a lot of cooperation and coordination and understanding. And when Judge Bell was before the Senate Judiciary Committee, he promised those things. And I want to say that this bill is a delivery on that promise. He has worked very closely with our committee and with individual Members of the Senate and the House in developing this legislation.

When Senator Mansfield and I first proposed the investigation of the intelligence community back in 1974, we never thought that the investigation was an end in itself, but that it should produce reforms; it should produce remedies. And I believe that this bill is one of the remedies that we look for.

The founders of the Republic knew that you had to restrain power with law, and that's what we proposed to do in this bill. As Thomas Jefferson, who built the colonnades around us once said, "Put not your faith in man, but bind him down with the chains of the Constitution." And I believe this bill is one of the links in that chain.

This legislation has been proposed and is often discussed as primarily a defense of citizen's rights. But I would suggest that it is a shield for those dedicated men and women who work in our intelligence community and who for a long time have lacked the support of defined statutory guidelines. And this will give them that kind of guideline and, I think, will be a protection for them as well as for the average American citizen.

ATTORNEY GENERAL BELL. That was very well said by Senator Mathias. This will provide a shield for the dedicated men and women who gather the intelligence that we need so badly.

Senator Jake Garn of Utah is a member of the Senate Select Committee on Intelligence and we'd like to hear from him now. Senator Garn.

SENATOR GARN. *Mr. President, Mr. Attorney General:*

It's been my pleasure to work on this in the past. Senator Bayh mentioned—and I happen to be ranking minority member with him on that committee—and our very first legislative effort in the Intelligence Committee was on S. 3197, which was the Foreign Intelligence Surveillance Act. We had many weeks of negotiations within the committee. Senator Bayh and I had differences. It took a lot of give and take. We had many meetings with Attorney General Levi and unfortunately the result of our effort came too late in the session.

The bill was reported out of committee—I think a very good bill to accomplish what all of my colleagues have said today—and we ran afoul of the end of the session on October 1, and so it was not considered by the full Senate. So, I compliment the administration on renewing this effort.

I have reviewed the two bills. The President's bill is very close to the bill that Senator Bayh and I reported out of our committee last year. So, although I'm sure it will not go through in exactly the form as proposed—legislation never does—Senator Bayh and I will go through, along with the Judiciary Committee in the Senate and in the House and will expect to have some changes. But I do think they are minor difficulties that can be worked out. And I echo the sentiments of my colleagues that when this bill is passed and signed into law by the

President, it will be a big step forward, because currently in the field of foreign intelligence there is no judicial warrant procedure at all. The Attorney General and the President can merely in their own determination decide that foreign intelligence is involved and get involved in electronic surveillance.

So, this will make it so that now in both domestic and foreign intelligence that the judicial warrant procedure will be necessary, and I do think we can strike that balance between necessary intelligence and protecting the rights of American citizens.

ATTORNEY GENERAL BELL. Thank you, Senator.

Congressman Kastenmeier is chairman of the subcommittee of the House Judiciary Committee which will have the prime responsibility for considering and moving this legislation. I would like to call on Congressman Kastenmeier now.

REPRESENTATIVE KASTENMEIER. *Thank you, General Bell, my colleagues:*

As chairman of the subcommittee that dealt unsuccessfully with this piece of legislation or legislation in this field last year, I'm certainly impressed with the difficulty confronting us. It's a vexatious question, because those most interested have very different perspectives—the intelligence community, those interested in national security on one side, and those especially sensitive to civil liberties, privacy on the other. It's almost impossible to reconcile these different perspectives. And yet, as the President has said, in the national interest it is important that we have this legislation and that the judiciary, the executive branch, and the Congress all be mutually involved.

There are other sensitive questions, Presidential powers and others, that are reflected in this legislation, which we cannot avoid. But if we do find a legislative solution, as I trust we will this year, it

will, I think, unlock the problems we have in a number of other related areas of legislation that enable us to achieve what the President has set out to achieve in terms of protection of citizens' rights in this country. And to that end I look forward to working on this piece of legislation.

Thank you.

ATTORNEY GENERAL BELL. Congressman McClory is the ranking minority member of the House Judiciary Committee. I'd like to call on him now.

REPRESENTATIVE MCCLORY. *Thank you, General Bell. Mr. President, my colleagues:*

I don't know whether you want me on this program or not. I rather like the 1968 legislation we had, which vested in the President and the Attorney General the authority to authorize wiretaps in national security cases. I think the primary responsibility does have to rest on the President and the executive and, on the other hand, I feel strongly that the intelligence community needs some substantial reforms.

As the ranking member on the House Committee on Intelligence, I recognize the need for these reforms. I would say on the other hand that we have the best intelligence capability in the world, the best intelligence agencies. The abuses in my opinion have been very, very few. And the successful and effective and honorable and decent operations have been many.

I don't know whether we should permit the judiciary to interpose itself between the President and the right to conduct surveillance on foreign intelligence agents. And I know that we will take a very close look at this—protect the rights of individual Americans consistent with the needs of our national security. And I do expect to work closely with Chairman Rodino and Mr. Kastenmeier

to effectively bring to the floor of the House a bill on this subject which will be compatible with what the needs of our Nation are and the needs of all of its citizens.

ATTORNEY GENERAL BELL. Thank you, Congressman. Our last speaker will be Senator Hathaway from Maine, a member of the Senate Select Committee on Foreign Intelligence. As I've said, Senator Inouye could not be here this morning, and I've asked Senator Hathaway if he'd say something on behalf of Senator Inouye and the Committee.

SENATOR HATHAWAY. Thank you very much, Mr. Attorney General. The Attorney General said at the outset that not everybody is going to speak here, but I don't think we missed more than two or three. Ladies and gentlemen, I simply want to assure you that although all of us here have had the opportunity last year when a similar bill was before our respective committees to go over this in great detail—the administration studied it in great detail—it will still be the subject of the extensive hearings where members of the public will be able to come in and comment upon the bill. It's an extremely important matter. We value the input from the public and we intend to go over the matter with a fine-toothed comb in the committees and on the floor so that we can assure that the rights of the Americans are protected. Thank you.

ATTORNEY GENERAL BELL. Well, that concludes our meeting this morning. We have a number of people from the intelligence community here and a lot of other people from the House and Senate, but we won't take the time to introduce all of them. We thank you very much for coming, and I know the President appreciates it. And I appreciate it. Thank you.

NOTE: The President spoke at 9:30 a.m. in the Rose Garden at the White House.

Foreign Intelligence Surveillance

Announcement of Proposed Legislation.

May 18, 1977

The President today announced that a bill developed by the administration, in close coordination with interested Members of Congress, will be introduced to prohibit electronic surveillance in the United States for intelligence purposes without a judicial warrant. This bill will be introduced in the Senate by Senator Kennedy and in the House by Congressman Rodino. It was transmitted to the Congress today.

The Carter administration bill was drafted by an interagency committee composed of members of the intelligence community and chaired by the Attorney General. The bill would make illegal the abuses of the past, confirm the need for electronic surveillance for intelligence purposes in limited circumstances, and subject to the procedures of the bill, all electronic surveillance in the United States.

Last year a similar bill was reported by the Senate Judiciary Committee and the Senate Intelligence Committee. The Carter administration bill expands protections for Americans in three major areas beyond the bill sponsored last year by the Ford administration:

(1) The current bill recognizes no inherent power of the President to conduct electronic surveillance. Last year, there was an explicit reservation of Presidential power.

(2) It ensures that persons in the United States cannot be targeted for electronic surveillance without a judicial warrant. Last year's bill did not extend the warrant requirement to NSA "watch listing" of American citizens.

(3) Judges are allowed to review the executive certification that the information sought is foreign intelligence information when United States persons are targeted.

The bill does not cover electronic surveillance abroad, but the administration, in coordination with interested Members of Congress, is drafting separate legislation to provide protections for Americans abroad from electronic surveillance for both intelligence and law enforcement purposes.

The bill generally requires Americans to be engaged in criminal conduct before they can be targeted for electronic surveillance. It provides one narrow exception for electronic surveillance of Americans who are not engaged in criminal activity, although they must be engaged in the collection or transmission of national security information to a foreign intelligence service in a clandestine manner pursuant to the direction of a foreign intelligence service. The reason for this one exception is that the current espionage laws do not clearly criminalize such activity. The Department of Justice is now reviewing the espionage laws and will propose revisions and modernization so that electronic surveillance of Americans will only be permitted when they violate the law.

Procedures in the Bill

The bill provides a procedure by which the Attorney General may authorize applications to the courts for warrants to conduct electronic surveillance within the United States for foreign intelligence purposes. Applications for warrants are to be made to one of seven district court judges publicly designated by the Chief Justice of the Supreme Court. Denials of such applications may be appealed to a

special three-judge court of review and ultimately to the Supreme Court.

Approval of a warrant application under this bill would require a finding by the judge that the target of the surveillance is a "foreign power" or an "agent of a foreign power." These terms, defined in the bill, ensure that no United States citizen or permanent resident alien may be targeted for electronic surveillance unless a judge finds probable cause to believe either that he is engaged in clandestine intelligence, sabotage, or terrorist activities for or on behalf of a foreign power in violation of the law, or that, pursuant to the direction of a foreign intelligence service, he is collecting or transmitting in a clandestine manner information or material likely to harm the security of the United States. The judge would be required to find that the facilities or place at which the electronic surveillance is to be directed are being used or are about to be used by a foreign power or an agent of a foreign power.

As a safeguard, approval of the warrant would also require a finding that procedures will be followed in the course of the surveillance to minimize the acquisition, retention, and dissemination of information relating to United States persons which does not relate to national defense, foreign affairs, or the terrorist activities, sabotage activities, or clandestine intelligence activities of a foreign power. Special minimization procedures for electronic surveillance targeting entities directed and controlled by foreign governments which are largely staffed by Americans are also subject to judicial review.

Finally, the judge would be required to find that a certification has been made by the Assistant to the President for National Security Affairs or a similar official, that

the information sought by the surveillance is "foreign intelligence information" necessary to the national defense or the conduct of foreign affairs of the United States, or is necessary to the ability of the United States to protect itself against the clandestine intelligence, terrorist, or sabotage activities of a foreign power. Where the surveillance is targeted against a United States person, the judge can review the certification.

The bill creates two different types of warrants. A special warrant which will not require as much sensitive information to be given to the judge is only available with respect to "official" foreign powers—foreign governments and their components, factions of foreign nations and entities which are openly acknowledged by a foreign government to be directed and controlled by that government. The other warrant is applicable to all U.S. citizens and permanent resident aliens.

The judge could approve electronic surveillance for foreign intelligence purposes for a period of 90 days, except where the surveillance is targeted against the special class of foreign powers and, in such cases, the approval can be as long as one year. Any extension of the surveillance beyond that period would require a reapplication to the judge and new findings as required for the original order.

Emergency warrantless surveillances would be permitted in limited circumstances, provided that a warrant is obtained within 24 hours of the initiation of the surveillance.

For purposes of oversight, the bill requires annual reports to the Administrative Office of the United States Courts and the Congress of various statistics related to applications and warrants for electronic surveillance. The President is committed to providing to the appropriate commit-

tees of Congress in executive session such other information as is necessary for effective oversight.

Federal Incentive Awards Program

Remarks on Presenting the Award to Lawrence L. Guzick. May 18, 1977

THE PRESIDENT. I believe in 1954, the Government established a procedure by which distinguished employees could be rewarded for suggestions or inventions that saved the American taxpayers tremendous amounts of money. This is only the sixth time that the maximum award will have been made. Mr. Guzick is an engineer. He has evolved a device which has been now adopted in the Navy and, I think, which has a great potential for adoption in all steam systems in the military and in private industry.

It's a small device. I was given one this morning to take a look at. And this little metering device for permitting steam-trapped pressure to escape—is that correct?—has already saved more than 875,000 barrels of oil and more than a half million dollars in repair costs in the Navy alone.

This is a saving of about \$10½ million to the Federal Government. I understand that Mr. Guzick, after he designed this device and had it patented, had a hard time getting it adopted for use. This is typical, I think, of what does occur quite often unnecessarily in our government structure, but it's also a tribute to him that his persistence and his ingenuity has brought such rich dividends to the American people. I'm very proud to present this morning the maximum award to Mr. Guzick that can be presented under the Employee Incentive Program of the Federal Government.

I think we have all heard that the award is for \$25,000. The check is for \$18,130.31. Perhaps we ought to devise another incentive reward for somebody who can come up with an idea of not withholding taxes when such an award is presented. But this is your share of the award, and the Navy has now saved \$10,500,000, plus about \$7,000 that we have taken out of your award for taxes. [Laughter]

I do want to thank you. It's a great honor for me to participate in this ceremony. And I think it's a tribute to Mr. Guzick, but also in some ways, this is a tribute to all the superlative civil servants that work for our Government. They're not recognized often enough, and the quiet professionalism that's there is a great strength to a President. And the absence of adequate recognition is something that I hope can be alleviated.

I know that the Navy officials here and the Secretary of the Navy, Graham Claytor, and others, join me in congratulating Mr. Guzick in expressing our sincere thanks to him on behalf of the American people for the superlative contribution to our Nation's security and to the more efficient administration of the jobs of all of us from the President on down.

So, this saved us \$10,500,000, Mr. Guzick, and we thank you very much for this contribution to the American people.

Good luck to you.

SECRETARY CLAYTOR. Thank you very much, Mr. President. I'm not only very proud of this invention which has saved us so much money, but I'm also proud that the Navy was able to put it to use as fast as it did, in spite of the bureaucratic problems that we all face. I'm proud of that.

I also want to say that I hope we can have a few more inventions like this, because if we do we'll balance that budget

a whole lot sooner than we otherwise would be able to. Thank you very much.

THE PRESIDENT. As a completely non-partisan President, I'd like to point out that of the six maximum awards that have been presented in the last 23 years, the Navy has won four of them. [Laughter]

NOTE: The President spoke at 11:55 a.m. in the Rose Garden at the White House.

The Federal Incentive Awards Program is administered by the Civil Service Commission which provides guidance and assistance to Federal agencies in encouraging employees to contribute to economy of Government operations through their suggestions, inventions, and/or superior performance.

Budget Rescission and Deferrals

Message to the Congress Transmitting the Rescission and Deferrals.
May 18, 1977

To the Congress of the United States:

In accordance with the Impoundment Control Act of 1974, I herewith propose rescission of \$126.2 million appropriated for the Patrol Hydrofoil Missile program of the Department of Defense. In addition, I am reporting a deferral of \$31.8 million for the Energy Research and Development Administration, Clinch River Breeder Reactor project, and revisions to two deferrals previously transmitted.

The details of the proposed rescission and the deferrals are contained in the attached reports.

JIMMY CARTER

The White House,
May 18, 1977.

NOTE: The attachments detailing the rescission and deferrals are printed in the FEDERAL REGISTER of May 23, 1977.

The message was not issued in the form of a White House press release.

Conventional Arms Transfer Policy

Statement by the President. May 19, 1977

The virtually unrestrained spread of conventional weaponry threatens stability in every region of the world. Total arms sales in recent years have risen to over \$20 billion, and the United States accounts for more than one-half of this amount. Each year, the weapons transferred are not only more numerous but also more sophisticated and deadly. Because of the threat to world peace embodied in this spiralling arms traffic and because of the special responsibilities we bear as the largest arms seller, I believe that the United States must take steps to restrain its arms transfers.

Therefore, shortly after my inauguration, I directed a comprehensive review of U.S. conventional arms transfer policy, including all military, political, and economic factors. After reviewing the results of this study and discussing those results with Members of Congress and foreign leaders, I have concluded that the United States will henceforth view arms transfers as an exceptional foreign policy implement, to be used only in instances where it can be clearly demonstrated that the transfer contributes to our national security interests. We will continue to utilize arms transfers to promote our security and the security of our close friends. But in the future the burden of persuasion will be on those who favor a particular arms sale, rather than those who oppose it.

To implement a policy of arms restraint, I am establishing the following set of controls, applicable to all transfers except those to countries with which we have major defense treaties (NATO, Japan, Australia, and New Zealand). We will remain faithful to our treaty obliga-

tions and will honor our historic responsibilities to assure the security of the State of Israel. These controls will be binding *unless* extraordinary circumstances necessitate a Presidential exception, or where I determine that countries friendly to the United States must depend on advanced weaponry to offset quantitative and other disadvantages in order to maintain a regional balance.

1. The dollar volume (in constant FY 1976 dollars) of new commitments under the Foreign Military Sales and Military Assistance Programs for weapons and weapons-related items in FY 1978 will be reduced from the FY 1977 total. Transfers which can clearly be classified as services are not covered, nor are commercial sales, which the U.S. Government monitors through the issuance of export licenses. Commercial sales are already significantly restrained by existing legislation and executive branch policy.

2. The United States will not be the first supplier to introduce into a region newly developed, advanced weapons systems which would create a new or significantly higher combat capability. Also, any commitment for sale or coproduction of such weapons is prohibited until they are operationally deployed with U.S. forces, thus removing the incentive to promote foreign sales in an effort to lower unit costs for Defense Department procurement.

3. Development or significant modification of *advanced* weapons systems *solely for export* will not be permitted.

4. Coproduction agreements for significant weapons, equipment, and major components (beyond assembly of sub-components and the fabrication of high-turnover spare parts) are prohibited. A limited class of items will be considered for coproduction arrangements, but with restrictions on third-country exports, since these arrangements are intended pri-

marily for the coproducer's requirements.

5. In addition to existing requirements of the law, the United States, as a condition of sale for certain weapons, equipment, or major components, may stipulate that we will not entertain *any* requests for retransfers. By establishing at the outset that the United States will not entertain such requests, we can avoid unnecessary bilateral friction caused by later denials.

6. An amendment to the international traffic in arms regulations will be issued, requiring policy level authorization by the Department of State for actions by agents of the United States or private manufacturers which might promote the sale of arms abroad. In addition, embassies and military representatives abroad will not promote the sale of arms and the Secretary of Defense will continue his review of Government procedures, particularly procurement regulations which may provide incentives for foreign sales.

In formulating security assistance programs consistent with these controls, we will continue our efforts to promote and advance respect for human rights in recipient countries. Also, we will assess the economic impact of arms transfers to those less-developed countries receiving U.S. economic assistance.

I am initiating this policy of restraint in the full understanding that actual reductions in the worldwide traffic in arms will require multilateral cooperation. Because we dominate the world market to such a degree, I believe that the United States can and should take the first step. However, in the immediate future the United States will meet with other arms suppliers, including the Soviet Union, to begin discussion of possible measures for multilateral action. In addition, we will do whatever we can to encourage regional agreements among purchasers to limit arms imports.

Agency for International Development

Nomination of Robert H. Nooter To Be Deputy Administrator and Jean P. Lewis and Abelardo L. Valdez To Be Assistant Administrators. May 19, 1977

The President today announced that he will nominate Robert H. Nooter to be Deputy Administrator of the Agency for International Development (AID), and Jean P. Lewis and Abelardo L. Valdez to be Assistant Administrators of AID.

Nooter has been Assistant Administrator of the Bureau for the Near East at AID since 1974. He was born July 14, 1926, in St. Louis, Mo., and received a B.S. in industrial engineering from the University of California in 1945. Between 1947 and 1962, he worked for the Nooter Corp., in St. Louis, serving as vice president for operations from 1959 to 1962.

From 1962 to 1965, Nooter was Director of USAID in Uruguay, and from 1965 to 1967 he was Director/Attache for USAID in Liberia. He served as Deputy Assistant Administrator of AID's Bureau for Asia from 1968 to 1970; Assistant Administrator of the Bureau for Vietnam from 1970 to 1972; and Assistant Administrator of the Bureau for Supporting Assistance from 1972 to 1974.

Lewis, whose area of responsibility will be legislative affairs, is currently Deputy Assistant Administrator of the Office of Legislative Affairs at AID. She was born May 22, 1918, in Montgomery, Ala., and attended American University. In 1957 and 1958, she was an administrative assistant for the Alabama League of Municipalities.

From 1958 to 1961, Lewis was a staff assistant for then-Senator John F. Kennedy's Presidential campaign. From 1961 to 1967, she was a Special Assistant in the Executive Office of the President. From

1967 to 1975, Lewis was Congressional Liaison Officer in the Office of Legislative Affairs at AID. Since 1975, she has been Deputy Assistant Administrator in the Office of Legislative Affairs at AID.

Valdez, whose area of responsibility will be Latin America, is a partner in the law firm of Purcell, Hansen & Valdez in Washington. He was born August 31, 1942, in Floresville, Tex. He received a B.S. in civil engineering from Texas A&M College in 1965, a J.D. from Baylor Law School in 1970, and an LL.M. from Harvard Law School in 1974.

Valdez served in the U.S. Army as a lieutenant from 1965 to 1967 and served as Military Aide to the President at the White House for that period. He was an attorney for the Federal Power Commission from 1970 to 1971 and for the Overseas Private Investment Corporation from 1971 to 1973. Valdez served as general counsel of the Inter-American Foundation from 1973 until 1975, when he became a partner in Purcell, Hansen & Valdez.

Valdez is chairman of the American Society of International Law Project on Legal Services to the Poor and Public Interest Law in Latin America and of the Committee on Agricultural Law of the Inter-American Bar Association. He has had several articles published on legal topics and Latin America.

Civil Aeronautics Board

Nomination of Alfred E. Kahn To Be a Member. May 19, 1977

The President today announced that he will nominate Alfred E. Kahn, of Trumansburg, N.Y., to be a member of the Civil Aeronautics Board. The President also indicated that if confirmed by the Senate, Kahn would be designated Chair-

man of the Board. Kahn is chairman of the New York State Public Service Commission.

He was born October 17, 1917, in Paterson, N.J. He received a B.A. in 1936 and an M.A. in 1937 from New York University and a Ph. D. in economics from Yale University in 1942. He served in the U.S. Army in 1943.

From 1947 to 1974, Kahn was on the faculty at Cornell University, serving as chairman of the department of economics from 1958 to 1963 and dean of the College of Arts and Sciences from 1969 to 1974. From 1964 to 1969, he was a member of the board of trustees of the university.

From 1955 to 1957, Kahn was also on the staff of the Council of Economic Advisors, and in 1950 and 1951 he was on the staff of the Brookings Institution. He has been chairman of the New York State Public Service Commission since 1974.

Federal National Mortgage Association

Appointment of Three Members and Reappointment of One Member to the Board of Directors. May 19, 1977

The President today announced the appointment of three members of the Federal National Mortgage Association (FNMA) for terms expiring on the date of the annual meeting in 1978. They are:

Marvin S. Gilman, of Wilmington, Del. Gilman, 55, is executive vice president of Leon N. Weiner & Associates and an associate professor of urban affairs and public policy at the University of Delaware. Gilman is active in the National Association of Home Builders and has served in a number of official capacities for the association. From 1974 to 1976, he

was a member of the board of directors of the National Committee Against Discrimination in Housing.

Raymond H. Lapin, of Sausalito, Calif. Lapin, 58, is president and chairman of the board of R. H. Lapin Co., of San Francisco, a mortgage finance firm. He served as first President and Chairman of the Board of FNMA and presided over the semiprivatization of FNMA in 1968. He also served as President of the Government National Mortgage Association in 1968.

John D. Thompson, of Washington, D.C. Thompson, 53, is president and treasurer of Vijon Realty Co., which specializes in approvals, consulting, and sales, in the District of Columbia metropolitan area. He is president of the National Association of Real Estate Brokers, Inc. (NAREB), which represents black realtors. He is also a member of the National Association of Realtors. He is on the FNMA Advisory Committee.

The President also announced that Ruth Prokop, General Counsel of the Department of Housing and Urban Development, will be reappointed to the Board of Directors of the FNMA. Prokop had previously been appointed to the Board for a term expiring on the date of the annual meeting in 1977. Her new term will expire on the date of the annual meeting in 1978.

Department of the Army

Nomination of Robert L. Nelson To Be an Assistant Secretary. May 19, 1977

The President today announced that he will nominate Robert L. Nelson, of Washington, D.C., to be Assistant Secretary of the Army (Manpower and Reserve Affairs). Nelson is president of the broad-

casting division of Washington Star Communications, Inc., and executive vice president and corporate counsel of the company.

He was born August 10, 1931, in Dover, N.H. He received a B.A. in 1956 from Bates College and an LL.B. in 1959 from Georgetown University Law Center. He served in the U.S. Army in 1953 and 1954.

Nelson served as legislative assistant and special assistant to the Director for the U.S. Commission on Civil Rights from 1958 to 1963. From 1963 to 1966, he was a special assistant and program secretary for Brazil for the Agency for International Development.

From 1966 to 1970, Nelson was deputy executive director, then executive director, of the Lawyers Committee for Civil Rights Under Law. He served as deputy campaign manager and treasurer for Senator Edmund Muskie's Presidential campaign from 1970 to 1972. He has been executive vice president and corporate counsel of Washington Star Communications since 1972.

Nelson is vice chairman of the Redevelopment Land Agency of the District of Columbia and is a member of the Board of Directors of the Pennsylvania Avenue Development Corporation. He is also on the boards of directors of the Federal City Council, Downtown Progress, and the Community Foundation of Greater Washington.

United States Ambassador to Costa Rica

*Nomination of Marvin Weissman.
May 19, 1977*

The President today announced that he will nominate Marvin Weissman, of Be-

thesda, Md., to be Ambassador Extraordinary and Plenipotentiary of the United States to Costa Rica. Weissman was Director of the Office of Central American Affairs at the State Department from 1975 to 1977.

He was born January 25, 1927, in Cleveland, Ohio. He received a Ph. B. in 1948 from the University of Chicago and an M.P.A. in 1953 from Maxwell Graduate School, Syracuse University. He served in the U.S. Army in 1945 and 1946.

From 1954 to 1956, Weissman was public administration adviser for the International Cooperation Administration in Santiago. From 1955 to 1958, he was a professor of public administration at Catholic University of Chile, and an economic and financial consultant in Chile and Venezuela. He was director of the International Cooperation Administration's First Latin American Regional Conference on Administrative Management in 1958.

Weissman was chief of the Public Administration Division of the International Cooperation Administration in Quito from 1958 to 1961. In 1959 he was also a consultant on budgetary administration to the Peruvian Finance Ministry.

In 1961 and 1962, Weissman was a public administration adviser in Lima. In 1962 and 1963, he was Director of the Office for Institutional Development of the Alliance for Progress.

He was Director of the U.S. AID mission to Guatemala from 1963 to 1967, of the U.S. AID mission to Colombia from 1967 to 1973, and of the U.S. AID mission to Brazil from 1973 until 1975, when he became Director of the Office of Central American Affairs at the State Department.

United States Ambassador to Jamaica

Nomination of Frederick Irving.
May 19, 1977

The President today announced that he will nominate Frederick Irving, of Providence, R.I., to be Ambassador Extraordinary and Plenipotentiary of the United States to Jamaica. Irving served as Assistant Secretary of State for Oceans and International Environmental and Scientific Affairs from 1976 to 1977.

He was born May 2, 1921, in Providence, R.I. He received a B.A. from Brown University in 1943 and an M.A. in 1946 from the Fletcher School of Law and Diplomacy. He served in the U.S. Army Air Force from 1943 to 1945.

From 1946 to 1951, Irving was an economic program examiner in the International Division of the Bureau of the Budget. In 1951 and 1952, he was Chief of the Western European Post Management Branch in the Bureau of European Affairs at the State Department.

From 1952 to 1954, Irving was Deputy Director of Administration in Vienna. From 1954 to 1957, he was with the Bureau of European Affairs as Deputy Executive Director for German-Austrian Affairs, then Deputy Executive Director for European Affairs. He served as Director of the Office of the Budget at the State Department from 1957 to 1959.

Irving was special assistant to the Under Secretary for Economic Affairs in 1959, and in 1959-60 he attended the National War College. From 1960 to 1962, he was Chief of the Economic and Commercial Section in Wellington.

From 1962 to 1964, Irving was Executive Director of the Bureau of Educational and Cultural Affairs at the State Department. He served as Executive Director of the Bureau of European Affairs

from 1965 to 1967. In 1967 and 1968, he was Deputy Chief of Mission in Vienna, and in 1968 and 1969 he was Deputy Assistant Secretary for Operations.

Irving was Deputy Assistant Secretary for Educational and Cultural Affairs from 1969 to 1972. He served as Ambassador to Iceland from 1972 until 1976, when he became Assistant Secretary of State for Oceans and International Environmental and Scientific Affairs. In 1976 he also served as U.S. Alternative Representative to the twentieth session of the General Conference of the International Atomic Energy Agency.

Poznan International Technical Fair

Designation of Representative Dan Rostenkowski To Be the President's Representative. May 19, 1977

The President today announced that he has asked Representative Dan Rostenkowski to be his Representative to the Poznan International Technical Fair.

The Poznan Fair will be held in Poland from June 12 to 21, and is considered the most important foreign commercial event in that country.

Representative Rostenkowski will represent the President at Opening Day and America Day ceremonies and will cohost a reception with the U.S. Ambassador.

American Television Industry

Memorandum for the Special Representative for Trade Negotiations. May 19, 1977

Memorandum for The Special Representative for Trade Negotiations

Subject: Import Relief Determination Under Section 202(b) of the Trade Act of 1974: Television Receivers

DECISION MEMORANDUM ON TELEVISION
RECEIVERS

Pursuant to Section 202(b)(1) of the Trade Act of 1974 (P.L. 93-618), I have determined the actions I will take with respect to the report of the United States International Trade Commission (USITC) dated March 22, 1977, concerning television receivers, color and monochrome, assembled or not assembled, finished or not finished, and subassemblies thereof. In that report the Commission determined that color television receivers, assembled or not assembled, finished or not finished, provided for in item 685.20 of the TSUS are being imported into the United States in such increased quantities as to be a substantial cause of serious injury to the domestic industry producing articles like or directly competitive with the imported articles. Three Commissioners found injury in both the color and monochrome television industries.

Pursuant to Section 330(d) of the Tariff Act of 1930, as amended, the President may accept, in the case of an evenly divided USITC vote on an injury determination, the determination of either set of Commissioners on the question of injury. I have decided to accept the determination of those three Commissioners who voted that the domestic monochrome television industry has not been seriously injured or threatened with serious injury by increased imports. Import relief is therefore not authorized for this industry under section 203 of the Trade Act of 1974. I have, however, decided to accept the determination of those three Commissioners who voted that the domestic industry producing subassemblies of color television receivers has been seriously injured by increased imports.

Pursuant to section 202(b)(1) of the Trade Act, I have determined to provide

import relief to the television industry producing color television receivers, assembled or not assembled, finished or not finished and subassemblies thereof provided for in item 685.20 of the TSUS.

I am, therefore, directing you to negotiate and conclude an orderly marketing agreement with the Government of Japan, the major supplying country, to resolve the immediate problems of our domestic color television industry for a three-year period which will provide the domestic industry time to remedy the injury found to exist.

This determination is to be published in the FEDERAL REGISTER.

JIMMY CARTER

NOTE: The memorandum was not issued in the form of a White House press release.

American Television Industry

Letter to the Speaker of the House and to the President of the Senate Transmitting a Report. May 19, 1977

Dear Mr. Speaker: (Dear Mr. President:)

In accordance with Section 203(b)(1) of the Trade Act of 1974, I am enclosing a report to the Congress setting forth the action I am taking on color television receivers pursuant to Section 203(a) of the Trade Act.

Sincerely,

JIMMY CARTER

IMPORT RELIEF FOR COLOR TELEVISION INDUSTRY

As required by Section 203(b)(1) of the Trade Act of 1974, I am transmitting this report to the Congress setting forth my determination to provide import relief to the United States color television receiver industry covered by the affirmative injury determination of March 22, 1977 of the United States International Trade

Commission (USITC) under Section 201(d)(1) of the Trade Act. As my decision does not provide the import relief recommended by the Commission, I am setting forth the reasons why I have taken action different from that recommended by the USITC.

After considering the interests of both American consumers and producers, I have concluded that an orderly marketing agreement is the most effective remedy for the injury caused by increased imports to the color television receiver industry and its employees.

My decision was based upon my evaluation of the national economic interest. The remedy recommended by the USITC was the imposition of additional tariffs on color television receivers. The tariff increase recommended by the Commission was an additional 20 percentage points during the first year of import relief followed by 20, 15, 15 and 10 percentage point additional duties in the second through fifth years of the remedy. The existing duty is five percent.

Although a majority of the USITC Commissioners found injury to the domestic color television receiver industry, only three Commissioners found injury to the monochrome television industry. Since the Commission was evenly divided on the subject of injury to the monochrome television industry, I have determined, pursuant to Section 330(d) of the Tariff Act of 1930, to consider the vote of the three Commissioners determining no injury to the monochrome television receiver industry as the Commission determination. Consequently, no import relief is authorized under the Trade Act of 1974. I have, however, accepted the view of the three Commissioners determining serious injury to exist in the industry producing color television receiver subassemblies, certain ones of which I am including in my import relief determination.

To remedy the serious injury found by the USITC to exist in the domestic color television industry, I have determined to provide import relief in the form of an orderly marketing agreement with Japan, the major supplier to the U.S. market of color television receivers. Japan supplies over 80 percent of all imports into the United States of color television receivers. This agreement would be concluded solely with Japan. However, under the Trade Act, after negotiating an orderly marketing agreement, I have authority to take action against imports from other countries should those imports reach disruptive levels, interfering with the effectiveness of the orderly marketing agreement.

In determining not to take the advice of the USITC on the remedy for import relief in this case, I took account of several important considerations affecting the national economic interest, including the following:

First, by choosing to negotiate an orderly marketing agreement, it can be expected that increased production and employment will result in the domestic color television industry by both American companies and the U.S. subsidiaries of foreign companies. Expected higher sales and profits should encourage American companies to expand production here and to invest in the latest available machinery. The orderly marketing agreement will also encourage decisions to move foreign production into the United States or to expand existing production facilities here, thus improving the prospects for increased domestic employment in the domestic color television industry beyond the time-frame of temporary relief under the escape clause.

In addition, since the reason for giving import relief is to assist the domestic industry in becoming more competitive with imports, it is important that the remedy

achieve the maximum benefit for domestic producers or workers while having the minimum impact on consumers. Consumer costs for an across-the-board tariff increase are unacceptable at a time when covering the rate of inflation is essential. In the particular circumstances of the color television industry, this purpose is better achieved with an orderly marketing agreement than with tariffs.

A further problem is that nothing in the USITC remedy would have prevented circumvention of relief by minor design changes in the television receivers. This problem is remedied in the agreement.

Another important consideration was the possible compensatory import concessions that would have to be made by the United States to affected exporting countries or the retaliation by those countries against U.S. exports. Such actions would have cost American jobs and could have damaged U.S. exports by exposing our industrial and agricultural trade to increased barriers in important overseas markets.

In addition, the higher tariff recommended by the USITC would have been applied across-the-board on all countries and would have affected countries not responsible for the rapid rise in imports.

An orderly marketing agreement with Japan will considerably moderate the significantly increased exports from Japan which occurred in 1976. Such an agreement will reduce exports to the United States in the first agreement year to a level at least 40 percent below the 1976 level of exports.

NOTE: This is the text of identical letters addressed to the Honorable Thomas P. O'Neill, Jr., Speaker of the House of Representatives, and the Honorable Walter F. Mondale, President of the Senate.

The text of the letters and the attached report were not issued in the form of a White House press release.

Charles Lindbergh's Transatlantic Flight

Statement on the 50th Anniversary of the Flight. May 20, 1977

This year marks the 50th anniversary of the historic transatlantic flight of Charles A. Lindbergh. In his solo journey from New York to Paris on May 20, 1927, America's "Lone Eagle" inaugurated a new age of aviation and a new era of international flight.

Celebrated around the world, this momentous event established Lindbergh as one of our country's most heroic figures. It symbolized the continuing devotion of our people to the exploration of new frontiers and demonstrated what can be accomplished when innovative and promising technology is guided by a courageous and determined man.

Linking two continents, the 33½-hour flight of the *Spirit of St. Louis* was a landmark in aviation history. It initiated the rise to world leadership of the United States aviation industry. It pioneered international air travel that has helped to bring nations and peoples far closer together and was the critical first step in our subsequently brilliant history of space discovery.

It is most fitting for all of us to join in a solemn commemoration of the 50th anniversary of Charles Lindbergh's flight and in grateful celebration of the enduring accomplishments it inspired and made possible.

Federal Energy Administration

Nomination of Robert R. Nordhaus To Be an Assistant Administrator. May 20, 1977

The President today announced that he will nominate Robert R. Nordhaus,

of New Haven, Conn., to be Assistant Administrator of the Federal Energy Administration (Regulatory Programs). Nordhaus is counsel of the House Committee on Interstate and Foreign Commerce.

Nordhaus was born March 27, 1937, in Albuquerque, N. Mex. He received a B.A. from Stanford University in 1960 and an LL.B. from Yale Law School in 1963.

From 1963 to 1974, Nordhaus worked in the Office of the Legislative Counsel of the U.S. House of Representatives, as law assistant from 1963 to 1966 and as assistant counsel from 1967 to 1974. From 1970 to 1974, he was responsible for the Office's work on energy, environmental protection, communications, and consumer protection legislation.

Nordhaus has been counsel to the House Committee on Interstate and Foreign Commerce since January 1975. He is responsible for the Committee's energy conservation and electric utility legislation.

District of Columbia Courts

Announcement of Decision on Two Positions. May 20, 1977

The President today announced that he will nominate John Ferren to fill the vacancy on the District of Columbia Court of Appeals caused by the death of Judge Austin Fickling.

Ferren, 39, is a partner in the law firm of Hogan and Hartson, where he directs the community services department which handles the firm's *pro bono* litigation. Prior to joining Hogan and Hartson in 1970, Ferren directed the Neighborhood Law Office Program affiliated with Harvard Law School.

Ferren attended both college and law school at Harvard. He resides in Washington, D.C.

The President also announced his decision not to nominate Judge Charles W. Halleck for another term on the District of Columbia Superior Court. In accordance with the Home Rule Act, the President has asked the local Judicial Nomination Commission, chaired by Dean Charles Duncan of Howard University, to recommend candidates for the seat now held by Judge Halleck. Judge Halleck may continue to sit until his successor has been qualified.

Executive Schedule

Executive Order 11866. May 20, 1977

RELATING TO CERTAIN POSITIONS IN LEVELS IV AND V OF THE EXECUTIVE SCHEDULE

By virtue of the authority vested in me by Section 5317 of Title 5 of the United States Code, and as President of the United States of America, it is hereby ordered as follows:

SECTION 1. Section 1 of Executive Order No. 11861, as amended, placing certain positions in level IV of the Executive Schedule, is further amended by deleting "(6) Director of Telecommunications and Command Control Systems, Department of Defense." and "(7) Principal Deputy Director of Defense Research and Engineering, Department of Defense."

SEC. 2. Section 2 of Executive Order No. 11861, as amended, placing certain positions in level V of the Executive Schedule, is further amended by adding thereto "(1) Principal Deputy Assistant Secretary for Communications Command, Control and Intelligence, Depart-

ment of Defense.” and “(9) Director of Policy Review, Department of Defense.”.

JIMMY CARTER

The White House,
May 20, 1977.

[Filed with the Office of the Federal Register,
5:08 p.m., May 20, 1977]

NOTE: The Executive order was not issued in the form of a White House press release.

President's Commission on White House Fellowships

*Appointment of Members and Designation
of Chairman. May 20, 1977*

The President today announced the persons whom he will appoint as members of the President's Commission on White House Fellowships. They are:

BARRY BINGHAM, SR., chairman of the board of the Louisville (Kentucky) Courier-Journal and Louisville Times Co.;
PETER G. BOURNE, Special Assistant to the President for Health Issues;
JOHN H. BREBBIA, managing partner in the Washington, D.C., office of Alston, Miller & Gaines;
ALAN K. CAMPBELL, Chairman of the Civil Service Commission;
MARILYN B. CHANDLER, urban planner, Los Angeles, Calif.;
PRISCILLA B. COLLINS, chairman of the board, King Broadcasting Co., Seattle, Wash.;
LLOYD N. CUTLER, member, Wilmer, Cutler & Pickering, Washington, D.C.;
WALTER G. DAVIS, director of education, AFL-CIO, Washington, D.C. (reappointment);
ADA E. DEER, chairman, Menominee Common Stock and Voting Trust, Menominee Indian Tribe, Keshena, Wis.;
JOHN W. GARDNER, chairman, Common Cause, Washington, D.C.;
SUSAN HERTER, Deputy U.S. Representative on the Executive Board of UNICEF; in charge of former Vice President Rockefeller's temporary Washington, D.C., office;
CARL HOLMAN, president, National Urban Coalition, Washington, D.C.;

LADY BIRD JOHNSON, former First Lady, Stonewall, Tex.;

W. THOMAS JOHNSON, publisher, the Dallas (Texas) Times Herald;

BOISFEUILLET JONES, president, Emily and Ernest Woodruff Fund, Inc., Atlanta, Ga.;

STEVEN MULLER, president, Johns Hopkins University, (reappointment);

BETTY ANN OTTINGER, acting assistant director of the American University Counseling Center, Washington, D.C.;

VICTOR H. PALMIERI, president, Victor Palmieri & Co., Inc. (corporate management services), Los Angeles, Calif.;

JANE CAHILL PFEIFFER, independent management consultant, Greenwich, Conn. (reappointment);

ROGER B. PORTER, on leave from Harvard as a guest scholar at the Brookings Institution, Washington, D.C. (reappointment);

WILLIAM W. SCRANTON, former Governor of Pennsylvania, former U.S. Ambassador to the United Nations (reappointment);

JULIA V. TAFT, former Deputy Assistant Secretary for Human Development, Department of Health, Education, and Welfare (reappointment);

JAMES M. WALL, editor of The Christian Century, president of The Christian Century Foundation, Elmhurst, Ill.;

MICHAEL H. WALSH, attorney, Sheela, Lightner, Hughes & Castro, San Diego, Calif.;

HAROLD WILLENS, member, Common Cause National Governing Board, national chairman, Businessmen's Educational Fund, chairman of the board, Factory Equipment Corp., Los Angeles, Calif.;

VICENTE T. XIMENES, private consultant on employment and education, Albuquerque, N. Mex.

The President also announced that he will designate John W. Gardner as Chairman of the Commission.

Digest of Other White House Announcements

The following listing includes the President's daily schedule and other items of general interest as announced by the White House Press Office during the

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period covered by this issue. Events and announcements printed elsewhere in the issue are not included.

May 15

The President returned to the White House from Camp David, Md.

May 16

The President met at the White House with:

- Zbigniew Brzezinski, Assistant to the President for National Security Affairs;
- senior White House staff members;
- the Cabinet;
- Dr. Brzezinski and Adm. Stansfield Turner, Director of Central Intelligence;
- Bert Lance, Director of the Office of Management and Budget;
- representatives of the Coalition for a Fair Minimum Wage;
- the White House Management Review Committee.

In a ceremony in the Oval Office, the President received diplomatic credentials from Ambassadors Gabriel Lewis Galindo of Panama, Mario Anibal Lopez Escobar of Paraguay, Donald Bell Sole of South Africa, and Oliver H. Jackman of Barbados.

May 18

The President met at the White House with:

- Dr. Brzezinski;
- a group of Senators to discuss the strategic arms limitation talks;
- G. Conley Ingram, Associate Justice of the Supreme Court of Georgia;
- Woody Taylor and Dick Keiser of the U.S. Secret Service;
- Mrs. Carter, for lunch;
- representatives of the Legal Defense Fund;
- W. Michael Blumenthal, Secretary of the Treasury, Charles L. Schultze,

Chairman of the Council of Economic Advisers, and other administration officials, to discuss tax reform.

May 19

The President met at the White House with:

- Dr. Brzezinski;
- the Democratic congressional leadership;
- Representative James C. Corman and members of the Executive Committee of the Democratic Congressional Campaign Committee;
- a group of Congressmen from the States of Connecticut, Massachusetts, New Hampshire, Rhode Island, Ohio, Pennsylvania, Indiana, and Michigan;
- Secretary Blumenthal, Dr. Schultze, and Arthur F. Burns, Chairman of the Board of Governors of the Federal Reserve System;
- Secretary of Defense Harold Brown;
- Kenneth Curtis, chairman of the Democratic National Committee;
- members of the Steering Committee of the HIRE program;
- Kingman Brewster, Jr., U.S. Ambassador to the United Kingdom.

During his news briefing at the White House, Deputy Press Secretary Rex Granum was asked a question concerning an interview in which former President Nixon stated his views on whether or not a President had the right to break the law. The questioner asked Mr. Granum what President Carter's views were on that issue. Mr. Granum replied that "based on the interview as reported in that publication, President Carter does not feel that any President has the right to break the law. He feels very strongly that it is a tragic mistake to follow that philosophy, as past events have shown so dramatically. He does feel that there are adequate

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judicial means to prevent danger to the country."

In the evening, the President and Mrs. Carter had dinner in the Residence with Senator and Mrs. Henry M. Jackson and their children.

May 20

The President met at the White House with:

- Dr. Brzezinski;
- a group of Senators from the States of Virginia, North Carolina, Georgia, Alabama, Mississippi, Tennessee, and Kentucky;
- Admiral Turner and Dr. Brzezinski;
- Representative Harley O. Staggers of Tennessee and Teresa Jane Hopkins, the Strawberry Queen;
- Harrison Wellford, Executive Associate Director of the Office of Management and Budget, Stuart E. Eizenstat, Assistant to the President for Domestic Affairs and Policy, and Jack H. Watson, Jr., Assistant to the President for Intergovernmental Affairs, and other administration officials, to discuss Federal regional matters;
- former President Gerald R. Ford.

NOMINATIONS SUBMITTED TO THE SENATE

The following list does not include promotions of members of the Uniformed Services, nominations to the Service Academies, or nominations of Foreign Service officers.

Submitted May 16, 1977

RICHARD N. COOPER, of Connecticut, to be United States Alternate Governor of the International Bank for Reconstruction and Development for a term of 5 years; United States Alternate Governor of the Inter-American Development Bank for a term of 5 years; United States Governor of the Asian Development Bank and United States Governor of the African Development Fund, vice William D. Rogers, resigned.

GORDON CAVANAUGH, of Maryland, to be Administrator of the Farmers Home Administration, vice Frank B. Elliott, resigned.

NOMINATIONS—Continued Submitted May 16—Continued

ELEANOR HOLMES NORTON, of New York, to be a member of the Equal Employment Opportunity Commission for the term expiring July 1, 1981, vice Raymond Telles, term expired.

MARION EDEY, of the District of Columbia, to be a member of the Council on Environmental Quality, vice John A. Busterud, resigned.

Submitted May 17, 1977

RICHARD K. FOX, JR., of Minnesota, a Foreign Service officer of Class one, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Trinidad and Tobago.

THOMAS P. SULLIVAN, of Illinois, to be United States Attorney for the Northern District of Illinois for the term of 4 years, vice Samuel K. Skinner, resigning.

ROBERT L. WRIGHT, of Kentucky, to be United States Marshal for the Western District of Kentucky for the term of 4 years, vice Jesse W. Grider, resigned.

JAMES G. BARTON, of Texas, to be United States Marshal for the Eastern District of Texas for the term of 4 years, vice J. Keith Gary, resigned.

JOSEPH J. HARVEY, of Washington, to be United States Marshal for the Western District of Washington for the term of 4 years, vice Charles E. Robinson, resigning.

Submitted May 19, 1977

PATRICK J. LUCEY, of Wisconsin, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Mexico.

FREDERICK IRVING, of Rhode Island, a Foreign Service officer of Class one, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Jamaica.

MARVIN WEISSMAN, of Maryland, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Costa Rica.

ROBERT HARRY NOOTER, of Missouri, to be Deputy Administrator, Agency for International Development, vice John E. Murphy, resigned.

JEAN PRICE LEWIS, of Virginia, to be an Assistant Administrator of the Agency for International Development, vice Denis M. Neill, resigned.

ABELARDO LOPEZ VALDEZ, of Texas, to be an Assistant Administrator of the Agency for

Administration of Jimmy Carter, 1977

NOMINATIONS—Continued

International Development, vice Eugene N. S. Girard II, resigned.

FINIS E. COWAN, of Texas, to be United States District Judge for the Southern District of Texas, vice James L. Noel, Jr., retired.

ALFRED EDWARD KAHN, of New York, to be a member of the Civil Aeronautics Board for the term of 6 years expiring December 31, 1982, vice R. Tenney Johnson, term expired.

ROBERT L. NELSON, of the District of Columbia, to be an Assistant Secretary of the Army, vice Donald G. Brotzman.

Submitted May 20, 1977

JOHN MAXWELL FERREN, of the District of Columbia, to be an Associate Judge of the District of Columbia Court of Appeals for the term of 15 years, vice Austin L. Fickling, deceased.

ROBERT RIGGS NORDHAUS, of Connecticut, to be an Assistant Administrator of the Federal Energy Administration, vice Gorman C. Smith, resigned.

CHECKLIST OF WHITE HOUSE PRESS RELEASES

The following releases of the Office of the White House Press Secretary, distributed during the period covered by this issue, are not included in the issue.

Released May 17, 1977

Biographical data: Thomas P. Sullivan, the President's nominee to be U.S. Attorney for the Northern District of Illinois; James G. Barton, the President's nominee to be U.S. Marshal for the Eastern District of Texas; Joseph J. Harvey, the President's nominee to be U.S. Marshal for the Western District of Washington; and Robert L. Wright, the President's nominee to be U.S. Marshal for the Western District of Kentucky.

CHECKLIST—Continued

Released May 17—Continued

Advance text: remarks to the United Auto Workers convention in Los Angeles, Calif.

News conference: on their discussion of the National Energy Plan and energy problems of the State of California—by Jerry Brown, Governor of California, and James R. Schlesinger and Jack Watson, Assistants to the President.

Released May 18, 1977

News conference: on the proposed Foreign Intelligence Surveillance Act of 1977—by Frederick Baron, Special Assistant to Attorney General Griffin B. Bell.

Released May 19, 1977

Biographical data: Finis E. Cowan, the President's nominee to be U.S. District Judge for the Southern District of Texas.

News conference: on the HIRE (Help through Industry Retraining and Employment) program—by F. Ray Marshall, Secretary, Ernest G. Green, Assistant Secretary for Employment and Training, Department of Labor, and G. William Miller, Chairman, Textron, Inc.

Released May 20, 1977

Announcement: Orderly Marketing Agreement with Japan on color television receivers.

News conference: on the President's decisions concerning the American television industry and his approval of the Orderly Marketing Agreement with Japan—by Robert S. Strauss, Special Representative for Trade Negotiations.

ACTS APPROVED BY THE PRESIDENT

NOTE: No acts approved by the President were received by the Office of the Federal Register during the period covered by this issue.

PRESIDENTIAL DOCUMENTS

Week Ending Friday, May 27, 1977

Interview With the President

*Remarks and a Question-and-Answer Session
With a Group of Publishers, Editors, and
Broadcasters. May 20, 1977*

DOMESTIC AND FOREIGN POLICY

THE PRESIDENT. I see a few old friends around the room. Right now, as you know, we have a great number of domestic and foreign efforts or projects underway. We today are watching the Senate vote on strip mining legislation. We have made good progress already in establishing a new Department of Energy. We have submitted a drastic reform which is long overdue of the social security system. We are evolving now a presentation to make on welfare reform of a basic nature, prior to the summer work period of the Congress which will begin in August.

Later on this year, we will propose to the Congress a comprehensive reform of the income tax structure. We have, I think, made tremendous progress, with the Congress almost in complete harmony, on the economic package, primarily to put American people back to work with a heavy emphasis on youth employment. We've now had approved over a million summer jobs for young people. I think the Congress will very rapidly approve roughly 270,000 CETA jobs, training, and job placement for young people, plus

another 35,000 jobs in our forests and national parks, another 30,000 jobs for young people in our urban areas.

And, of course, I signed into law last week the new tax reform measure which greatly simplifies the entire tax structure and also reduces taxes to be paid by about \$4 billion. In addition, of course, we have in prospect a great number of other matters that are of equal importance. I won't go into them because I don't know what you have an interest in.

On foreign policy right now, I've spent a good bit of my time this morning communicating with Cyrus Vance on the telephone and by cable as he negotiates with Foreign Minister Gromyko on SALT talks and other matters. Our own Vice President is in detailed discussions with Prime Minister Vorster from the Union of South Africa. He will leave there and go to meet with Marshall Tito. He has already visited on this trip Portugal and Spain, new democracies in Europe.

We are very encouraged to realize that as far as NATO is concerned, for the first time in history all the members of NATO are now democracies, which I think is a good move in the right direction.

We are quite concerned about the problems in southern Africa. We are now assessing in a quiet way, in a very subdued way, the possible consequences of the elec-

tion results in Israel. I have a good hope that we can work something out, in addition, to let our European allies know how strongly committed we are to the strengthening of NATO and the cooperation with them.

We've been successful in the recent summit meeting, I think, and also in my visit throughout England and Switzerland, in reestablishing a clear-cut concept of what our Nation is, what it stands for. And the outpouring of affection and approbation that was demonstrated on this recent trip was not, I don't think, for me a personal thing but just an appreciation of our European allies that the devastating times for Watergate and Vietnam and CIA revelations and Cambodia, and so forth, are over, and that the United States once again is a clean, admirable, strong, competent entity.

We've got some results already, I think, on economics. When I took office, we had about an 8.1 percent unemployment. It has dropped to 7 percent. I don't claim credit for that, but I do think that this is derived from a renewed confidence among consumers in what our country is going to be in the future. There has been an increase in consumer spending, and we have recent independent results from McGraw-Hill, a very respected economic analyst group, that investment plans by business for the next year will be up about 18 percent compared to this past year. Discounting for inflation, it would still be above a 10 percent growth in business investment plans. So, there's a general feeling of confidence and hope, I think, in our country.

I've enjoyed being President so far between 3 and 4 months. We, I think, are staying up quite well with this multiplicity of sometimes related and sometimes isolated challenges and developments. I think the best way for me to spend my time now rather than continuing to enumerate matters that come to me

for a decision, would be to answer your questions.

QUESTIONS

CUBA

Q. Mr. President, today is Cuba's Independence Day, May 20, so the question is about Cuba. Will you, sir, insist on your policy of human rights when dealing with Cuba in the future? How far will you go in that?

THE PRESIDENT. We have had no indication from Castro that Cuba is interested in the restoration of diplomatic relations with us.

When I was first in office and went over to speak at the Agriculture Department, a question was asked by one of the employees there about what we hope to achieve in the process of restoring those normal relationships. One thing that I pointed out was a demonstration by the Cubans of their commitment to the human rights concept, particularly by releasing some of the thousands of political prisoners that they have had incarcerated for a number of years, 15 or 20 years; secondly, the abstaining by the Cubans of their involvement in the internal affairs of nations, particularly in Africa, and a refraining on their part from disruptive practices in the Caribbean, particularly their insistence that Puerto Rico be independent of us. Of course, we want Puerto Rico to make their own decision about what their status should be.

We have successfully concluded a fisheries agreement and a maritime agreement with Cuba. And my guess is that in the near future we will have some diplomatic officials in Cuba and some Cuban diplomatic officials in Washington, not in our own embassies, but just as observers.

I don't know what Castro's intentions are. I have had no indication that he wants to proceed any more rapidly than we are proceeding, but those are elements

that are very important to us. Of course, what he has asked for is an immediate termination of the embargo, trade embargo, against Cuba as a prerequisite to other negotiations, which I think is something that he is not likely to achieve.

Q. And Guantanamo, too.

THE PRESIDENT. I'm sorry.

Q. Guantanamo was mentioned by Raúl Castro.

THE PRESIDENT. That's right. Well, there are several other obviously very complicated elements in dealing with Cuba.

Q. You are not going to desist on your policy of human rights?

THE PRESIDENT. I would not ever desist on my policy on human rights, no, not only as it relates to Cuba but to all other countries in the world, and also including our own country. I think it's accurate to say that almost the entire world leadership is now preoccupied with the question of human rights. And that affects me, it affects the European countries, it affects countries in South and Central America, it affects those in Africa, I think it affects the Socialist and Communist countries to the east, it affects Cuba.

We've had 25 to 30 nations who have made very substantial moves toward enhancing the quality of human rights in their nations. Almost every time they take such an action, they will inform me directly that, "We have done this action, and we are very proud of it." And we have complimented them on it, quite often quietly through diplomatic channels.

I think it's something that our country ought to assume as a permanent clear-cut commitment of our people. I think it's compatible with our constitutional stance, the framework of our societal structure. It's something that appeals to our own people. It restores kind of a beacon light

of something that's clean and decent and proper as a rallying point for us in all the democracies of the world.

And the last thing to say on human rights is that as we approach the Belgrade conference where the Helsinki agreement will be assessed—there are about 35 signatories of that agreement—I think all the countries are eager to put their best foot forward and to show that we have made strides toward the enhancement of human rights.

So, the human rights issue is a very important issue in the minds of all of us now, which I think is a good move in the right direction.

THE MIDDLE EAST

Q. Sir, the resurrection of Richard Nixon on TV brought out that this country had made certain commitments to the Middle East. Do you feel any obligation to follow those commitments?

THE PRESIDENT. Well, it depends on what those commitments were.

When commitments of that kind were made in an official capacity, by the President, by the Secretary of State, by the Secretary of Defense, often with the knowledge of Congress, I feel it is binding on me to carry those commitments out.

I'll give you one illustrative example involving politics. Kissinger promised the Israeli leaders that there would be no recognition on our part of the PLO prior to the PLO's recognition of Israel's right to exist—right to exist permanently. So, I would feel constrained by that promise.

There have been other commitments made on the type and quantity of weapons sales to Middle Eastern countries. I've now established a policy of great restraint on conventional weapons sales, but I still feel that I am under an obligation to meet the commitments that were made by my predecessors.

It wouldn't be fair. It is like a contract, for our country's word of honor, where our country's word of honor is involved. Others, though, I don't feel any obligation to honor.

For instance, there is a letter that has been recently published, I think, with the permission of President Nixon where he promised \$3 or 4 billion in aid to the Vietnamese. That's one that I certainly would not honor.

I think now even President Nixon has renounced it, saying that it was abrogated by the fact that the Vietnamese broke their word on nonintrusion into South Vietnam. But I like to use my own judgment. But when I felt that the agreement at the time it was reached was compatible with the wishes of the American people and was confirmed, my inclination would be to honor it.

FOOD STAMP PROGRAM

Q. Mr. President, as I understand your proposed Food Stamp program, it calls for a flat grant living subsidy. This subsidy is planned as an average cost of living per family. But doesn't it seem unfair to the North, and especially New England, with our high oil prices, that these high utility prices will hurt the northern poor families more while being less demanding on the southern poor?

THE PRESIDENT. I think when looked at in the full framework of the welfare concept, looking at welfare as a generic term, there are compensatory allocations made.

For instance, the housing allowances and others are quite often based on the cost of living in a particular community. I think the proposal that we presented to the Congress on food stamps is adequate. And I think it's fair.

SPACE EXPLORATION

Q. Mr. President, the majority of my readers work at the Johnson Space Center in Clear Lake City, Texas. They are concerned over budgeting for NASA in the future. Right now, the only manned program budgeted is the space shuttle. What plans does your administration have for manned exploration of the space frontiers in the future?

THE PRESIDENT. Well, I can't answer that beyond the present recommendations to Congress. I think it's unlikely that we would mount a new effort for manned space flight to the moon or to the planets, for instance. We will continue the evolution of the space shuttles with additional vehicles already approved by me and the funds recommended to the Congress.

I think at this point there's a great deal of analysis being conducted by NASA and by both private and publicly employed scientists about how the space shuttle itself might be used to the greatest advantage.

We have many recommendations along that line, but I think until the space shuttle is fully used, both in a conceptual way and in a practical way, it would be unlikely to embark on a new and different kind of major space effort.

FEDERAL URBAN PROGRAMS

Q. Mr. President, in view of the criticism of national neglect of cities, what kind of a national urban policy would you like to see the Federal Government develop?

THE PRESIDENT. Well, we've done a great deal on that already. For instance, the basic change in the formulae for allocating Federal funds has been modified for public works projects, for the block grant programs for housing and investment. The formulae for allotting funds for

employment opportunities have been changed drastically this last 3 months as compared to what they were before. This means that more of all Federal programs, not just a few of them, will be channeled into the deteriorating and needy urban downtown areas, whereas in the past they were channeled, I think, too much, to the sunbelt area and to the suburbs where the need was least.

We have, in addition to that, given special consideration in our energy programs and will in our welfare programs to those special needs in the urban areas wherever they might exist in our country.

We are now evolving a comprehensive transportation policy that the Secretary of Transportation, Brock Adams will conclude this year, that will take into consideration those special needs on rapid transit and so forth.

So, we have, I think, made progress already in some of these areas. In others, we are just evolving policies for the future. I think it's accurate to say that in the past quite often Federal funds have not been channeled where the need was greatest. And I think that the first thing we need to do in all of our proposals to the Congress is to recognize that fact and correct those deficiencies. I think that is about the best I can describe.

NUCLEAR POWERPLANTS

Q. Mr. President, I am from Connecticut, which I believe is now the only State which generates more than half of its electrical power by nuclear means. In fact, we have three operating nuclear plants at Waterford and Hamden, within a 20-mile radius, and the fourth being constructed at the present time.

My question is this: There seems to be something of a discrepancy. We are assured by the AEC and others that nuclear plants are entirely safe. Yet, I believe

there is a requirement that any new plant not be built in an area, in a city area or some immediate suburbs; in other words, that they be built in rural areas. Is this for safety reasons, because we are not absolutely sure how safe they are, or what is the reasoning behind this? This seems to worry a lot of our people.

THE PRESIDENT. I think that the nuclear powerplants have demonstrated themselves to be safe. So far as I know, since nuclear power became a factor on the world scene, there has never been a fatality. I know there hasn't been in our own country.

Admiral Rickover's nuclear powerplants, which have been used in tightly confined configurations like atomic submarines and also which quite often have been experimental in nature, have operated a cumulative total of 1500 years with never any sort of mishap. And I think part of it is because of the rigidity of standard that Admiral Rickover instituted and also the very tight operating supervision.

The major reason to consider the siting constraints on nuclear powerplants is to try to avoid fear of people in the neighborhood and try to avoid the long delays that quite often have resulted because people could not be convinced that they were safe.

So, when you have an option to build an atomic powerplant in a heavily populated area and one that's not populated, obviously the best place to go is to one that's not populated.

I hope that all States will do what, for instance, Georgia has done working in conjunction with North and South Carolina, for instance, and that is to identify sites for energy production many years ahead of time so that there won't be the hot controversy and the feeling among environmentalists and others that they are

being circumvented when a decision is being made.

For instance, getting away from nuclear power for a minute, our three States have already found sites that are acceptable to environmentalists, local and State officials, oil companies, five different places along our coast where we would be glad to bring oil from offshore areas into the mainland, five places where we would be glad to see oil refineries built long before oil is ever discovered. So, there won't be the hot controversy and long delays and court suits when that occurs.

I think another thing that obviously needs to be done that does involve safety is the siting of atomic powerplants away from earthquake fault zones and a standardization of design of the powerplants.

We have other needs that don't indicate that atomic powerplants are unsafe, but just are cautionary measures. One is a clear concept among people in a community about how to evacuate if you should have—I wouldn't say a catastrophe—but if you do have an accident, adequate insurance coverage. But in the provision of these factors which are designed to alleviate concern, that doesn't, I think, follow that they are an indication of the danger of atomic powerplants.

So, I think that the siting is just one of the things to alleviate, in most cases, unwarranted fears. I think everybody probably knows that it's impossible for a light water nuclear powerplant to explode. It's physically impossible. It can melt down. I have seen this happen in one instance in Canada, and radioactive gases can escape.

But now in any sort of heavily populated area we are putting the atomic powerplant in a tightly sealed building with a heavy vacuum maintained so that if you do have radioactive gases released, they are contained within the building for a period of years until the radioactivity dissipates. So, it's no indication they are

unsafe because we want to put them where people don't live.

How are you doing?

SOUTHERN POLITICAL FIGURES

Q. Hi. Nice to see you, Mr. President. I remember sitting beside you at a luncheon and urging you to continue to be active after your term as Governor ended, and you said that you would and you had some plans. You are certainly a man of your word. [*Laughter*]

Your election in the South seems to have accentuated a new set of political and psychological assumptions of a more confident nature. It seems that what that is likely to produce is the elimination of some old symbols of self-respect that seemed to be important when the South thought of itself as a scorned region—such symbols as Strom Thurmond, George Wallace, Jim Eastland, McClellan. Those symbols no longer seem to be emotionally necessary in the South. So, there may be a purge without your lifting a hand. Do you agree with this interpretation, and, if so, do you think it's a good thing for the South and the Nation?

THE PRESIDENT. No. I certainly wouldn't want to associate myself with the statement that Jim Eastland is an anomaly or an anachronism that needs to be purged. [*Laughter*]

I think that it just proves that the South is heterogeneous in nature, that the time for racism as a factor in political success is past. And I think it also proves that this change was made not by political figures, but among the people themselves. And I hope that the reassurance of the South has not been commensurate with a cause of consternation in the rest of the country. But I don't think that it's likely that these political figures will necessarily be purged.

I think that my own belief is that many of the political figures that you mentioned have had an inclination to change with

the times. And I know that in our own State this has been true. Senator Talmadge, whose father, you know, was characterized as strongly supported by those who were against integration, has now become strongly supported himself by the blacks and other deprived people in Georgia.

So, I think it's true to say that not only have the people themselves as voters changed but also the elected officials have changed to accommodate those new inclinations on the part of voters.

Q. Very good.

THE PRESIDENT. Thank you very much. I was trying to be skillful. [*Laughter*]

PRIME MINISTER BEGIN OF ISRAEL

Q. Have you been in touch with Mr. Begin since his election, and do you plan any meeting with him? And what changes in our Mideast policy does this suggest may be necessary?

THE PRESIDENT. I have not been in touch with Mr. Begin. I think it's proper for me to wait for congratulatory messages and also to contact Mr. Begin until the President of Israel officially designates him as the new leader. At this point, of course, Mr. Perez is still the Prime Minister, and until the President designates Mr. Begin as the one to put a government together, I don't intend to communicate with him.

After, though, he is designated to put the government together, my intention is to congratulate him and also to let him know that I would welcome a visit and a discussion with him about the future of the Middle East.

I am very hopeful that the election will not change the long-time commitment of Israel to searching for a permanent peace settlement. And I have never met Mr. Begin. He has been here earlier to meet with Dr. Brzezinski since I have been President, but I was not here and did not get a chance to meet him. But we are

being very reticent about making any statements concerning the Israeli election until we can understand the prospects of the new government as it relates to a possible peace settlement, and I doubt that I will know, even have a firm opinion, on how much that's changed until I have a personal meeting with him.

We have successfully concluded talks with the leaders of Israel, when Mr. Rabin was there, of Egypt and Jordan and Syria. I found all those talks to be very constructive and my hope is that these constructive remarks made to me by the leaders accurately represents the strong inclination of the people whom they lead. If so, I think that the identity of particular leaders will be much less a factor than is generally believed in the immediate aftermath of an election.

So, I hope that the election of Mr. Begin will not be a step backward toward the achievement of peace.

WELFARE PROGRAM

Q. Mr. President, it has been a long time since the Colony Square for your formal announcement. I have heard that you have made the statement to the effect that the welfare program is no good. And if this is true, and you say that it should be scrapped, and it's conceivable that you have some idea, concept as to some type of program that might be instituted in place of it, can you today enlighten us to that effect since this is not for print (sic) or what have you?

THE PRESIDENT. Well, we will present a comprehensive welfare program to the Congress, as I said, before they go home in August for what they call the summer work session. We have made a lot of progress in the last 2 weeks. We had a very strong, apparently conflicting opinion between the Department of Health, Education, and Welfare on the one hand and Labor on the other about whether

we should emphasize increased block payments of welfare assistance or whether we should emphasize massive job opportunities for those who are able to work and who in the past have been dependent upon welfare payments.

I don't know yet what the outcome will be. But we want a simple system. We want one that's fairer. We want one that is much more uniform in its assistance to people without regard to where they live than we have had in the past.

We want one with a heavy emphasis on work for those who are able to work. We'd like to distinguish between those who are permanently disabled or permanently dependent upon government support who have small children or who have some problem with age or health on the one hand and let them have an adequate support level with one simple system, if possible, and a heavy encouragement for other welfare recipients to go to work.

But I can't describe any details of the plan yet because we haven't decided the details yet. I am trying to do it so it doesn't cost the taxpayers more money.

VIEWS ON THE PRESIDENCY

Q. You said that you enjoyed your Presidency so far.

THE PRESIDENT. Yes.

Q. How have you gotten used to the restrictive elements of it, such as the security, the swarm of photographers, et cetera? What are your thoughts on that?

THE PRESIDENT. I had 2 years practice. [Laughter] Well, that's not exactly true because I would say I had about 4 or 5 months of practice following a year and 16 months of loneliness when I was looking for photographers. [Laughter]

So, it's a fairly pleasant life. I can be by myself when I want to. The White House Mansion is private. We don't permit staff

members or anyone else to come up on the second floor where we live.

The White House grounds are not open to visitors except during certain carefully prescribed hours. The Secret Service protection does not follow me in my living quarters. And I have a private office off the Oval Office where I can work in complete isolation.

I have spent more time with my family since I have been President than I have in many years. Amy, who was only 2 years old when I was elected Governor, I think is as happy now as she has ever been in her life. She is 9. She has been assimilated within the public school system up here, and she enjoys it, looks forward to going to school every day.

I have a good opportunity late in the afternoons to go swimming with Amy or to play tennis on occasion. Harry Truman put in a one-lane bowling alley in the basement. So, in the wintertime we have access to recreation. I stay in good physical shape, and I have been to Camp David two or three times. It's in the Maryland mountains. And it's a very isolated place to relax and to think and to work.

The other point that makes it attractive is it's highly diverse in nature. You don't get bored. [Laughter] And this is really kind of a form of recreation. In an average day's work I have 10 or 15 different kinds of questions to address.

The Secret Service have been with me now since October of 1975. And when I was Governor I had a State patrolman who was required by law to stay with me all the time.

So, I think those constraints on my personal life are more than offset by the challenge of the job and the interesting nature of my responsibilities and the closeness of my family.

It would be hard for any of you to realize that haven't been involved in a long

political campaign how burdensome and onerous it is to run for office for 2 years all over the country and where I very seldom saw my little girl and where my family was divided into 11 different places in the country and I had no home life and lived out of a suitcase for that long and, in the early stages of the campaign, was really quite often physically lonesome and isolated and quite often ignored and discouraged. But now it's a much, much better life than it was then.

So, in summary, in a personal way it's been enjoyable.

I'll take one more question.

SOUTH AFRICA

Q. Mr. President, the Mondale-Vorster talks seem to have ended with an agreement to disagree—

THE PRESIDENT. Yes.

Q. —and there have been some reports that if that were the case, we might be applying various kinds of pressures in the near future. Can you tell us what comes next?

THE PRESIDENT. No. I can't until I talk to Fritz when he gets back. You know, the South African question has been a problem for the world community for generations, and nobody expected that a day-and-a-half meeting between the Vice President and the Prime Minister would solve all those problems. We had three basic hopes when Fritz went to Geneva. One was—to Vienna—one was that the South African leaders would back us and Great Britain in our efforts to bring some resolution to the question of Rhodesia or Zimbabwe. We may have made some progress there. I don't know yet.

Another one is that we hoped that the meeting would encourage Vorster and the South African Government to abandon in its entirety their commitment to the Turnhalle Conference concerning Namibia,

formerly known as Southwest Africa, and to permit a widely diverse group of potential leaders to present themselves to the electorate for future democratic choice of a government.

We may or may not have made some progress there. We don't know yet.

And the other part is a much more difficult one, and that is for Fritz to understand the South African leaders' point of view and for them to understand our point of view about possible progress in South Africa in the future toward an end to apartheid or the distinction under law between the rights of black citizens compared to those of white citizens.

We never have had any expectation that we would change the basic structure of the government in South Africa, but I would guess that in all those areas if we don't have any tangible achievements that we have made some progress.

I don't think anybody has ever been better prepared for a trip than Fritz Mondale was when he left here. He had spent literally months studying all the details and the history and the background and the neighboring countries' attitudes and the identity of the persons involved and what their interrelationships were concerning Rhodesia, Zimbabwe, on the one hand, Southwest Africa or Namibia on the other and southern Africa.

So, I would guess that when Fritz comes back, he and I will have a much clearer picture of what prospects might be for progress in the future even if he didn't achieve any tangible signs of progress in these discussions.

I talked to Fritz twice on the phone yesterday during recesses in his conversations with Vorster, and I think that my statement has pretty well encapsulated what his expectations were, nothing of a treaty or a firm nature, but progress toward at least better understanding.

I have got to go. I have enjoyed talking to you. I wish I had more time. I appreciate your coming.

NOTE: The interview began at 1 p.m. in the Cabinet Room at the White House.

The transcript of the interview was made available by the White House Press Office on May 21. It was not issued in the form of a White House press release.

United Nations Children's Fund

Message Delivered to the Annual Meeting of UNICEF's Executive Board.
May 21, 1977

This is to convey, on behalf of the people of the United States, my support

for the principles for which UNICEF stands.

The very important participation and active support of the members of UNICEF is of particular interest to me in that your organization is dedicated to the basic human right of all people to be free of poverty and hunger and disease. The special emphasis you place on meeting the human needs of children, the future leaders of the world, makes your efforts even that much more essential to the goal of seeking human freedom and dignity for all mankind.

JIMMY CARTER

NOTE: The message was delivered by Peter G. Bourne, Special Assistant to the President for Health Issues, at UNICEF's meeting in Manila, the Philippines, on May 23.

UNIVERSITY OF NOTRE DAME

Address at Commencement Exercises at the University. May 22, 1977

To Father Hesburgh and the great faculty of Notre Dame, to those who have been honored this afternoon with the degree from your great university, to the graduate and undergraduate group who, I understand, is the largest in the history of this great institution, friends and parents:

Thank you for that welcome. I'm very glad to be with you. You may have started a new graduation trend which I don't deplore, that is, throwing peanuts on graduation day. [*Laughter*] The more that are used or consumed the higher the price goes. [*Laughter*]

I really did appreciate the great honor bestowed upon me this afternoon. My other degree is blue and gold from the Navy, and I want to let you know that I do feel a kinship with those who are assembled here this afternoon. I was a little taken aback by the comment that I had brought a new accent to the White House. In the minds of many people in our country, for the first time in almost 150 years, there is no accent. [*Laughter*]

I tried to think of a story that would illustrate two points simultaneously and also be brief, which is kind of a difficult assignment. I was

sitting on the Truman Balcony the other night with my good friend, Charles Kirbo, who told me about a man who was arrested and taken in to court for being drunk and for setting a bed on fire. When the judge asked him how he pled, he said, "not guilty." He said, "I was drunk but the bed was on fire when I got in it." [*Laughter*]

I think most of the graduates can draw the parallel between that statement and what you are approaching after this graduation exercise. But there are two points to that, and I'll come to the other one in just a few minutes.

In his 25 years as president of Notre Dame, Father Hesburgh has spoken more consistently and more effectively in the support of the rights of human beings than any other person I know. His interest in the Notre Dame Center for Civil Rights has never wavered. And he played an important role in broadening the scope of the center's work—and I visited there last fall—to see this work include, now, all people in the world, as shown by last month's conference here on human rights and American foreign policy.

And that concern has been demonstrated again today in a vivid fashion by the selection of Bishop Donal Lamont, Paul Cardinal Arns, and Stephen Cardinal Kim to receive honorary degrees. In their fight for human freedoms in Rhodesia, Brazil, and South Korea, these three religious leaders typify all that is best in their countries and in our church. I'm honored to join you in recognizing their dedication, their personal sacrifice, and their supreme courage.

Quite often, brave men like these are castigated and sometimes punished, sometimes even put to death, because they enter the realm where human rights is a struggle. And sometimes they are blamed for the very circumstance which they helped to dramatize, but it's been there for a long time. And the flames which they seek to extinguish concern us all and are increasingly visible around the world.

Last week, I spoke in California about the domestic agenda for our Nation: to provide more efficiently for the needs of our people, to demonstrate—against the dark faith of our times—that our Government can be both competent and more humane.

But I want to speak to you today about the strands that connect our actions overseas with our essential character as a nation. I believe we can have a foreign policy that is democratic, that is based on fundamental values, and that uses power and influence, which we have, for humane purposes. We can also have a foreign policy that the American people both support and, for a change, know about and understand.

I have a quiet confidence in our own political system. Because we know that democracy works, we can reject the arguments of those rulers who deny human rights to their people.

We are confident that democracy's example will be compelling, and so we seek to bring that example closer to those from whom in the past few years we have been separated and who are not yet convinced about the advantages of our kind of life.

We are confident that the democratic methods are the most effective, and so we are not tempted to employ improper tactics here at home or abroad.

We are confident of our own strength, so we can seek substantial mutual reductions in the nuclear arms race.

And we are confident of the good sense of American people, and so we let them share in the process of making foreign policy decisions. We can thus speak with the voices of 215 million, and not just of an isolated handful.

Democracy's great recent successes—in India, Portugal, Spain, Greece—show that our confidence in this system is not misplaced. Being confident of our own future, we are now free of that inordinate fear of communism which once led us to embrace any dictator who joined us in that fear. I'm glad that that's being changed.

For too many years, we've been willing to adopt the flawed and erroneous principles and tactics of our adversaries, sometimes abandoning our own values for theirs. We've fought fire with fire, never thinking that fire is better quenched with water. This approach failed, with Vietnam the best example of its intellectual and moral poverty. But through failure we have now found our way back to our own principles and values, and we have regained our lost confidence.

By the measure of history, our Nation's 200 years are very brief, and our rise to world eminence is briefer still. It dates from 1945, when Europe and the old international order lay in ruins. Before then, America was largely on the periphery of world affairs. But since then, we have inescapably been at the center of world affairs.

Our policy during this period was guided by two principles: a belief that Soviet expansion was almost inevitable but that it must be contained, and the corresponding belief in the importance of an almost exclusive alliance among non-Communist nations on both sides of the Atlantic. That system could not last forever unchanged. Historical trends have weakened its foundation. The unifying threat of conflict with the Soviet

Union has become less intensive, even though the competition has become more extensive.

The Vietnamese war produced a profound moral crisis, sapping worldwide faith in our own policy and our system of life, a crisis of confidence made even more grave by the covert pessimism of some of our leaders.

In less than a generation, we've seen the world change dramatically. The daily lives and aspirations of most human beings have been transformed. Colonialism is nearly gone. A new sense of national identity now exists in almost 100 new countries that have been formed in the last generation. Knowledge has become more widespread. Aspirations are higher. As more people have been freed from traditional constraints, more have been determined to achieve, for the first time in their lives, social justice.

The world is still divided by ideological disputes, dominated by regional conflicts, and threatened by danger that we will not resolve the differences of race and wealth without violence or without drawing into combat the major military powers. We can no longer separate the traditional issues of war and peace from the new global questions of justice, equity, and human rights.

It is a new world, but America should not fear it. It is a new world, and we should help to shape it. It is a new world that calls for a new American foreign policy—a policy based on constant decency in its values and on optimism in our historical vision.

We can no longer have a policy solely for the industrial nations as the foundation of global stability, but we must respond to the new reality of a politically awakening world.

We can no longer expect that the other 150 nations will follow the dictates of the powerful, but we must continue—confidently—our efforts to inspire, to persuade, and to lead.

Our policy must reflect our belief that the world can hope for more than simple survival and our belief that dignity and freedom are fundamental spiritual requirements. Our policy must shape an international system that will last longer than secret deals.

We cannot make this kind of policy by manipulation. Our policy must be open; it must be candid; it must be one of constructive global involvement, resting on five cardinal principles.

I've tried to make these premises clear to the American people since last January. Let me review what we have been doing and discuss what we intend to do.

First, we have reaffirmed America's commitment to human rights as a fundamental tenet of our foreign policy. In ancestry, religion, color, place of origin, and cultural background, we Americans are as diverse a nation as the world has even seen. No common mystique of blood or soil unites us. What draws us together, perhaps more than anything else, is a belief in human freedom. We want the world to know that our Nation stands for more than financial prosperity.

This does not mean that we can conduct our foreign policy by rigid moral maxims. We live in a world that is imperfect and which will always be imperfect—a world that is complex and confused and which will always be complex and confused.

I understand fully the limits of moral suasion. We have no illusion that changes will come easily or soon. But I also believe that it is a mistake to undervalue the power of words and of the ideas that words embody. In our own history, that power has ranged from Thomas Paine's "Common Sense" to Martin Luther King, Jr.'s "I Have a Dream."

In the life of the human spirit, words *are* action, much more so than many of us may realize who live in countries where freedom of expression is taken for granted. The leaders of totalitarian nations understand this very well. The proof is that words are precisely the action for which dissidents in those countries are being persecuted.

Nonetheless, we can already see dramatic, worldwide advances in the protection of the individual from the arbitrary power of the state. For us to ignore this trend would be to lose influence and moral authority in the world. To lead it will be to regain the moral stature that we once had.

The great democracies are not free because we are strong and prosperous. I believe we are strong and influential and prosperous because we are free.

Throughout the world today, in free nations and in totalitarian countries as well, there is a preoccupation with the subject of human freedom, human rights. And I believe it is incumbent on us in this country to keep that discussion, that debate, that contention alive. No other country is as well-qualified as we to set an example. We have our own shortcomings and faults, and we should strive constantly and with courage to make sure that we are legitimately proud of what we have.

Second, we've moved deliberately to reinforce the bonds among our democracies. In our recent meetings in London, we agreed to widen our economic cooperation, to promote free trade, to strengthen the world's monetary system, to seek ways of avoiding nuclear proliferation. We pre-

pared constructive proposals for the forthcoming meetings on North-South problems of poverty, development, and global well-being. And we agreed on joint efforts to reinforce and to modernize our common defense.

You may be interested in knowing that at this NATO meeting, for the first time in more than 25 years, all members are democracies. Even more important, all of us reaffirmed our basic optimism in the future of the democratic system. Our spirit of confidence is spreading. Together, our democracies can help to shape the wider architecture of global cooperation.

Third, we've moved to engage the Soviet Union in a joint effort to halt the strategic arms race. This race is not only dangerous, it's morally deplorable. We must put an end to it.

I know it will not be easy to reach agreements. Our goal is to be fair to both sides, to produce reciprocal stability, parity, and security. We desire a freeze on further modernization and production of weapons and a continuing, substantial reduction of strategic nuclear weapons as well. We want a comprehensive ban on all nuclear testing, a prohibition against all chemical warfare, no attack capability against space satellites, and arms limitations in the Indian Ocean.

We hope that we can take joint steps with all nations toward a final agreement eliminating nuclear weapons completely from our arsenals of death. We will persist in this effort.

Now, I believe in *détente* with the Soviet Union. To me it means progress toward peace. But the effects of *détente* should not be limited to our own two countries alone. We hope to persuade the Soviet Union that one country cannot impose its system of society upon another, either through direct military intervention or through the use of a client state's military force, as was the case with Cuban intervention in Angola.

Cooperation also implies obligation. We hope that the Soviet Union will join with us and other nations in playing a larger role in aiding the developing world, for common aid efforts will help us build a bridge of mutual confidence in one another.

Fourth, we are taking deliberate steps to improve the chances of lasting peace in the Middle East. Through wide-ranging consultation with leaders of the countries involved—Israel, Syria, Jordan, and Egypt—we have found some areas of agreement and some movement toward consensus. The negotiations must continue.

Through my own public comments, I've also tried to suggest a more flexible framework for the discussion of the three key issues which have so far been so intractable: the nature of a comprehensive peace—what is

peace; what does it mean to the Israelis; what does it mean to their Arab neighbors; secondly, the relationship between security and borders—how can the dispute over border delineations be established and settled with a feeling of security on both sides; and the issue of the Palestinian homeland.

The historic friendship that the United States has with Israel is not dependent on domestic politics in either nation; it's derived from our common respect for human freedom and from a common search for permanent peace.

We will continue to promote a settlement which all of us need. Our own policy will not be affected by changes in leadership in any of the countries in the Middle East. Therefore, we expect Israel and her neighbors to continue to be bound by United Nations Resolutions 242 and 338, which they have previously accepted.

This may be the most propitious time for a genuine settlement since the beginning of the Arab-Israeli conflict almost 30 years ago. To let this opportunity pass could mean disaster not only for the Middle East but, perhaps, for the international political and economic order as well.

And fifth, we are attempting, even at the risk of some friction with our friends, to reduce the danger of nuclear proliferation and the worldwide spread of conventional weapons.

At the recent summit, we set in motion an international effort to determine the best ways of harnessing nuclear energy for peaceful use while reducing the risks that its products will be diverted to the making of explosives.

We've already completed a comprehensive review of our own policy on arms transfers. Competition in arms sales is inimical to peace and destructive of the economic development of the poorer countries.

We will, as a matter of national policy now in our country, seek to reduce the annual dollar volume of arms sales, to restrict the transfer of advanced weapons, and to reduce the extent of our coproduction arrangements about weapons with foreign states. And just as important, we are trying to get other nations, both free and otherwise, to join us in this effort.

But all of this that I've described is just the beginning. It's a beginning aimed towards a clear goal: to create a wider framework of international cooperation suited to the new and rapidly changing historical circumstances.

We will cooperate more closely with the newly influential countries in Latin America, Africa, and Asia. We need their friendship and cooperation in a common effort as the structure of world power changes.

More than 100 years ago, Abraham Lincoln said that our Nation could not exist half slave and half free. We know a peaceful world cannot long exist one-third rich and two-thirds hungry.

Most nations share our faith that, in the long run, expanded and equitable trade will best help the developing countries to help themselves. But the immediate problems of hunger, disease, illiteracy, and repression are here now.

The Western democracies, the OPEC nations, and the developed Communist countries can cooperate through existing international institutions in providing more effective aid. This is an excellent alternative to war.

We have a special need for cooperation and consultation with other nations in this hemisphere—to the north and to the south. We do not need another slogan. Although these are our close friends and neighbors, our links with them are the same links of equality that we forge for the rest of the world. We will be dealing with them as part of a new, worldwide mosaic of global, regional, and bilateral relations.

It's important that we make progress toward normalizing relations with the People's Republic of China. We see the American and Chinese relationship as a central element of our global policy and China as a key force for global peace. We wish to cooperate closely with the creative Chinese people on the problems that confront all mankind. And we hope to find a formula which can bridge some of the difficulties that still separate us.

Finally, let me say that we are committed to a peaceful resolution of the crisis in southern Africa. The time has come for the principle of majority rule to be the basis for political order, recognizing that in a democratic system the rights of the minority must also be protected.

To be peaceful, change must come promptly. The United States is determined to work together with our European allies and with the concerned African States to shape a congenial international framework for the rapid and progressive transformation of southern African society and to help protect it from unwarranted outside interference.

Let me conclude by summarizing: Our policy is based on an historical vision of America's role. Our policy is derived from a larger view of global change. Our policy is rooted in our moral values, which never

change. Our policy is reinforced by our material wealth and by our military power. Our policy is designed to serve mankind. And it is a policy that I hope will make you proud to be Americans.

Thank you.

NOTE: The President spoke at 3:25 p.m. at the University of Notre Dame Athletic and Convocation Center after being introduced by Rev. Theodore Hesburgh, president of the university. Prior to his remarks, the President was presented with an honorary doctor of laws degree by Father Hesburgh.

Tax and Drought Relief Bills

*Remarks on Signing H.R. 3477 and S. 1279
Into Law. May 23, 1977*

THE PRESIDENT. Again, I apologize for sitting down in the presence of my distinguished peers. I just have to assume this position to do the signing.

The first bill that I'd like to discuss and sign is House Resolution 3477, which is designed and which has been successfully passed by the Congress to greatly simplify the income tax codes of our Nation, to provide greater equity and, also, substantially to reduce taxes among our people. We have seen many Members of the Congress work long hours on this very fine legislation, and I think to a substantial degree, the local and State officials have been involved in this process.

This legislation will provide \$5 billion in direct tax reduction to the American taxpayers to be implemented immediately, perhaps as early as June, in withholding taxes.

And for the average family of four that makes \$10,000 a year, this will be a permanent tax reduction of 30 percent, which is of very great benefit to the American average family. Most of the benefits in this tax reduction will go to lower- and middle-income families; about 80 percent

of it to families that make less than \$15,000 a year.

Also, it greatly simplifies the procedure for computing income taxes. About 95 percent of the American people next year, as they file their 1977 tax return, will be able to use a simplified version with a standard deduction and one very simple computation.

We are very proud of the fact, too, that this bill does extend the earned-income tax credits that were initiated by Senator Long. They worked very well. They're an instigation for the lower-income groups to seek and to find employment, and they reward hard work at the low-income levels when the salaries might be too low to finance the needs of the low-income families.

This bill also includes countercyclical help for low- and middle-income families, but particularly through direct grants to the local and State governments.

And this is a bill that's designed to continue our tax simplification, equity, and to stimulate our economy in a way that is productive.

I'm very pleased at the good work that Chairman Ullman in the House and Chairman Long in the Senate have done. And many of the Members of Congress on my left played an instrumental role in bringing forward this good legislation.

It's \$5 billion. It continues about \$12 billion in the earned-income tax credits. So, it's a tremendous boost to the people who need it most, and it's with great pleasure that I sign this legislation into law.

[At this point, the President signed H.R. 3477 into law.]

I'd like to congratulate again the two chairmen. You've done a good job. Thank you very much.

One of the most pleasant things for a Member of Congress or a President is to be able to reduce taxes and, at the same time, to get our economy moving again and, also, to simplify the complicated tax codes. And to have this done all in the same bill is a notable achievement. And I'm very deeply grateful to all of you for having helped in this respect.

Last week, I visited California and was able to go on one of the farms there to witness at firsthand the adverse consequences of the continuing drought. We have experienced in the last number of months, the worst drought in more than 40 years. The prospects for a continuation of this problem are very real. Water levels are dropping in many areas of the country. Streams are drying up. Reservoirs which I examined, which ordinarily would be full and overflowing, are down to a 25-percent level. The mountaintops in many regions of our country, which ordinarily are covered with 4 or 5 feet of packed snow, are bare of any snow. And we feel that in the months ahead the drought conditions are going to get much worse.

Through the leadership of Senator Quentin Burdick in the Senate, who's the author of this bill, and Bizz Johnson in the House, we've been successful in having the Congress consider favorably Senate bill 1279 which provides drought relief. This is a bill that provides immedi-

ate relief. All the projects to be financed by direct grants or loans under this legislation must be completed by April 1978. This will help the small communities in drilling new wells and providing viaducts for the transportation of water, for conservation measures, and for other projects to overcome the consequences of the continuing drought.

I'm very proud that this has been passed so expeditiously. The money to finance this program was included in the appropriation bill that I signed last week.

And I think these Congressmen are to be congratulated on pursuing this effort so rapidly and in focusing in a very narrow way, but an accurate way, the direct help that is needed at this time. So, congratulations to Senator Quentin Burdick, to Bizz Johnson, and all those on my right who were instrumental in passing this drought relief measure.

Our hope is that with rains this year and with heavier snowfall in the next winter, that 1978 might be better. But at the present time, in many parts of our country the effects of the drought are just now beginning to be experienced. They're going to get much worse in the future, and this is a good step forward to prevent the adverse consequences of the drought conditions that can affect very quickly our whole country.

[At this point, the President signed S. 1279 into law.]

Quentin, would you like to say a word about your legislation? Please do. Why don't you have a seat?

SENATOR BURDICK. I'd like to thank the President for signing this much needed legislation. As the President said, with the assistance of the House and the Senate, we acted quite expeditiously on this matter.

The drought in the West is serious, and this is going to be a very valuable tool

in meeting this problem. So again, thank you, Mr. President.

REPRESENTATIVE ULLMAN. Let me just say that the stimulus package was the first major package that the President sent up. It involved, I think, a great deal of establishment of the proper relationship between the Congress and the President. It demonstrated the President has flexibility in approaching the problems.

I think the net product is one that will do the job that we intended to do and one that has further significance in that it, I think, establishes a pattern of a working relationship between the Congress and the President that should be a prototype for a lot of other legislation coming down the pike.

Thank you.

THE PRESIDENT. I want to thank all of you personally for being so helpful and so cooperative with me. This is a step in the right direction. And I agree with Al's statement. It's just a precursor of what we're going to do together in the future.

NOTE: The President spoke at 11:33 a.m. at the signing ceremony in the Rose Garden at the White House.

As enacted, H.R. 3477, the Tax Reduction and Simplification Act of 1977, is Public Law 95-30, and S. 1279, the Community Emergency Drought Relief Act of 1977, is Public Law 95-31, both approved May 23.

United States Ambassador to Pakistan

*Nomination of Arthur W. Hummel, Jr.
May 23, 1977*

The President today announced that he will nominate Arthur W. Hummel, Jr., of Chevy Chase, Md., to be Ambassador Extraordinary and Plenipotentiary of the United States to Pakistan. Hummel was Assistant Secretary of State for East Asian and Pacific Affairs from 1976 to 1977.

Born June 1, 1920, in China of American parents, he attended Antioch College from 1937 to 1939 and the College of Chinese Studies in Peking from 1940 to 1941. He received an M.A. in Chinese from the University of Chicago in 1949.

Between 1938 and 1941, Hummel worked as a hospital orderly, a salesman, and a laboratory assistant. He was teaching English in Peking from 1940 to December 8, 1941, when he was interned by the Japanese. He escaped from the internment camp in 1944 and joined a unit of Chinese guerrillas, which he remained with, in Eastern China, until V-J Day, 1945.

In 1945 and 1946, he worked as a liaison officer at Tientsin, China, for the United Nations Relief and Rehabilitation Administration. Also in 1946 he was a staff lecturer in New York City for United Service to China until 1947, when he entered the University of Chicago Graduate School.

He began his career with the State Department in 1950 as a foreign affairs officer. In 1952 he went to Hong Kong as public affairs officer, and in 1955 he was transferred to Tokyo as the deputy public affairs officer. He return to Washington in 1960 and after attending the National War College was assigned as Deputy Director of the Voice of America.

Hummel served as Deputy Assistant Secretary in the Bureau of Educational and Cultural Affairs from 1963 until 1965 when he went to Taipei as Deputy Chief of Mission. From 1968 to 1971, he served as Ambassador to Burma. From 1971 to 1975, he was Deputy Assistant Secretary, Bureau of East Asian and Pacific Affairs. From 1975 to 1976, he served as Ambassador to Ethiopia, and from 1976 to 1977, he served as Assistant Secretary of State for East Asian and Pacific Affairs.

National Aeronautics and Space Administration

Nomination of Robert A. Frosch To Be Administrator. May 23, 1977

The President today announced that he will nominate Robert A. Frosch, of Falmouth, Mass., to be Administrator of the National Aeronautics and Space Administration. Frosch is associate director for applied oceanography at Woods Hole Oceanographic Institution.

He was born in New York City on May 22, 1928. He received an A.B. in 1947 and an A.M. in 1949 from Columbia University and a Ph. D. in theoretical physics from Columbia in 1952.

From 1951 to 1963, Frosch worked on naval research projects at the Hudson Laboratories of Columbia University, serving as director of the laboratories from 1956 to 1963. From 1963 to 1965, he was Director, Nuclear Test Detection, at the Defense Department's Advanced Research Projects Agency (ARPA), and from 1965 to 1966, he was Deputy Director of ARPA.

From 1966 to 1973, Frosch was Assistant Secretary of the Navy for Research and Development. He served as assistant executive director of the United Nations Environment Program from 1973 until 1975, when he became associate director for applied oceanography at Woods Hole Oceanographic Institution.

Since 1969 Frosch has been the Department of Defense member of the Committee for Policy Review of the National Council on Marine Resources and Engineering Development. In 1967 and 1970, he was Chairman of the U.S. delegation to the Intergovernmental Oceanographic Commission meetings at UNESCO in Paris. He received the Arthur S. Flemming Award in 1966 and the Navy Distinguished Public Service Award in 1969.

Organization for Economic Cooperation and Development

Nomination of Herbert Salzman To Be U.S. Representative. May 23, 1977

The President today announced that he will nominate Herbert Salzman, of Washington, D.C., to be the Representative of the United States to the Organization for Economic Cooperation and Development, with the rank of Ambassador. Salzman is Director of the Overseas Private Investment Corporation.

He was born May 2, 1916, in New York, N.Y. He received a B.A. in 1938 from Yale College. He served in the U.S. Navy from 1941 to 1946.

From 1946 to 1966, Salzman worked for Standard Bag Corp., as vice president for production from 1946 to 1955, vice president for sales from 1955 to 1959, and president from 1959 to 1966.

He was Assistant Administrator for Private Resources at the Agency for International Development from 1966 to 1971. From 1969 to 1971, he was also acting president of the Overseas Private Investment Corporation. From 1971 to 1973, he was Executive Vice President of OPIC, and since 1973 he has been Director.

Salzman is a member of the State Department Advisory Committee on Multinational Enterprises, the Council on Foreign Relations, and the visiting committee of the Harvard University Center for International Affairs.

Department of Labor

Nomination of Xavier M. Vela To Be Administrator of the Wage and Hour Division. May 23, 1977

The President today announced that he will nominate Xavier M. Vela, of Washington, D.C., to be Administrator of the

Wage and Hour Administration, Department of Labor. Vela is housing director with the National Council of La Raza in Washington.

He was born October 23, 1937, in Albuquerque, N. Mex. He received a B.A. in philosophy in 1960 and an M.A. in 1963 in international relations from the University of California at Berkeley.

In 1963 and 1964, Vela worked in the Latin American office of the Retail Clerks International Association in Lima, Peru. From 1964 to 1966, he was a regional director in the Washington office of the American Institute for Free Labor Development (AIFLD) supervising programs in six South American countries which assisted in the organization of housing, consumer, and credit cooperatives. From 1966 to 1968, he was director of the AIFLD program for Brazil.

In 1968 and 1969, Vela was Acting Director of the Division of Special Projects of the Office of Economic Opportunity. From 1969 to 1973, he was a regional housing officer in the Latin American Operations Division of the Agency for International Development, and in 1973 and 1974, he was chief of the Latin American Operations Division Office of Housing.

Vela spent 1974-75 studying and practice teaching for an elementary teaching credential at the University of Maryland. In 1975-76 he was a classroom teacher of third and fourth grade in the Montgomery County (Md.) Public Schools. He has been housing director for the National Council of La Raza since 1976.

Vela is a member of the board of directors of the Ontario Housing Cooperative in Washington. He has been president of the local unions of the American Federation of Government Employees at OEO and AID.

Department of the Air Force

Nomination of Hans M. Mark To Be Under Secretary. May 23, 1977

The President today announced that he will nominate Hans M. Mark, of Los Altos Hills, Calif., to be Under Secretary of the Air Force. Mark is Director of the Ames Research Center of the National Aeronautics and Space Administration.

Mark was born June 17, 1929, in Mannheim, Germany. He attended primary and secondary schools in New York City and received an A.B. in physics from the University of California at Berkeley in 1951. He received a Ph. D. in physics from Massachusetts Institute of Technology in 1954.

In 1954-55 Mark was a research associate at MIT and acting head of the Neutron Physics Group at the Laboratory for Nuclear Science there. In 1955-56 he was a research physicist at the University of California at Berkeley, and from 1956 to 1958, he did research at the university's Lawrence Radiation Laboratory. In 1957-58 he was also a lecturer in physics at Berkeley.

From 1958 to 1960, Mark was an assistant professor of physics at M.I.T. From 1960 to 1969, he was at the University of California at Berkeley, serving on the faculty in nuclear engineering, doing research at the Lawrence Radiation Laboratory, and administering the Berkeley Research Reactor.

Since 1969 Mark has been Director of NASA's Ames Research Center. He has also served as a lecturer in applied science at the University of California at Davis from 1969 to 1973 and as a consulting professor of engineering at Stanford University since 1973.

International Monetary Fund

*Nomination of Sam Y. Cross, Jr., To Be
U.S. Executive Director. May 23, 1977*

The President today announced that he will nominate Sam Y. Cross, Jr., of Falls Church, Va., to be U.S. Executive Director of the International Monetary Fund. Cross has been U.S. Executive Director of the IMF since 1974, so this would be a reappointment.

Cross was born May 5, 1927, in Sanford, Fla. He received a B.S. in 1949 and an M.A. in 1950 from the University of Tennessee.

From 1952 to 1956, Cross was an assistant U.S. Treasury representative. He served as an economist from 1957 to 1963 and as a U.S. Treasury representative from 1963 to 1967. From 1967 to 1970, Cross was Director of the Office of Developing Nations, and from 1970 to 1973, he was Director of the International Monetary System at the Treasury Department.

Cross served as Deputy Assistant Secretary of the Treasury for International Monetary and Investment Affairs from 1973 to 1975. Since 1975 he has been U.S. Executive Director of the IMF and Special Assistant to the Secretary of the Treasury.

The Environment

Message to the Congress. May 23, 1977

To the Congress of the United States:

This message brings together a great variety of programs. It deals not only with ways to preserve the wilderness, wildlife, and natural and historical resources which are a beautiful and valued part of

America's national heritage: it deals also with the effects of pollution, toxic chemicals, and the damage caused by the demand for energy. Each of these concerns, in its own way, affects the environment; and together they underscore the importance of environmental protection in all our lives.

Americans long thought that nature could take care of itself—or that if it did not, the consequences were someone else's problem. As we know now, that assumption was wrong; none of us is a stranger to environmental problems.

Industrial workers, for example, are exposed to disproportionate risks from toxic substances in their surroundings. The urban poor, many of whom have never had the chance to canoe a river or hike a mountain trail, must nevertheless endure each day the hazardous effects of lead and other pollutants in the air.

I believe environmental protection is consistent with a sound economy. Previous pollution control laws have generated many more jobs than they have cost. And other environmental measures whose time has come—measures like energy conservation, reclamation of stripmined lands, and rehabilitation of our cities—will produce still more new jobs, often where they are needed most. In any event, if we ignore the care of our environment, the day will eventually come when our economy suffers for that neglect.

Intelligent stewardship of the environment on behalf of all Americans is a prime responsibility of government. Congress has in the past carried out its share of this duty well—so well, in fact, that the primary need today is not for new comprehensive statutes but for sensitive administration and energetic enforcement of the ones we have. Environmental protection is no longer just a legislative job, but one

that requires—and will now receive—firm and unsparing support from the Executive Branch.

In this spirit, I am presenting the following program to build upon Congress' admirable record:

Actions to control pollution and protect health

- A coordinated attack on toxic chemicals in the environment
- Effective implementation of the Toxic Substances Control Act
- Accelerated development of occupational health standards to protect workers
- Strong legislation to improve air quality
- A \$45 billion, 10-year program to build sewage facilities
- Accelerated study of economic incentives to encourage recycling

Actions to assure environmentally sound energy development

- Support for amendments to improve the Outer Continental Shelf Lands Act
- Revision of the OCS leasing schedule
- More participation by states in the current OCS program
- Accelerated identification of health and environmental effects of new energy technologies
- A nationwide evaluation of the availability of water for energy development
- Support for strong national stripmining legislation
- Reform of the federal coal leasing program

Actions to improve the urban environment

- Commitment to neighborhood preservation and conservation

- Use of historic buildings for federal offices where appropriate
- An improved and expanded urban homesteading program

Actions to protect our natural resources

- A comprehensive review of water resources policy
- Executive Orders to direct federal agencies to refrain from supporting development in floodplains and wetlands
- Support for the program regulating dredge spoil disposal in wetlands
- \$50 million over the next five years to purchase wetlands to protect waterfowl habitat
- Development of legislation to replace the anachronistic Mining Law of 1872 with one that establishes a leasing system for hardrock minerals
- A comprehensive review of the Cooperative Forestry Program
- An Executive Order strengthening protection of public lands from the uncontrolled use of off-road vehicles

Actions to preserve our national heritage

- An accelerated five-year, \$759 million program to develop new and existing parks
- Development of legislation to establish a National Heritage Trust to protect places of cultural, historic, and ecological value
- Support for designating major additions to the Park, Forest, Wildlife Refuge and Wild and Scenic River Systems in Alaska
- Four new wilderness proposals and enlargement of five others submitted by previous Administrations
- Accelerated preparation of new wilderness proposals for Alaska and the East and initiation of a vigorous new wilderness program on Bureau of Land Management lands

- Eight new Wild and Scenic Rivers and proposals to study 20 others
- Legislation to deauthorize the Cross Florida Barge Canal and to study adding the Oklawaha River to the Wild and Scenic River System
- Three new National Scenic Trails

Actions to protect wildlife

- A \$295 million five-year program to rehabilitate and improve the Wildlife Refuge System
- Improved protection for nongame wildlife
- An accelerated effort to identify habitat critical to the survival and recovery of endangered species
- An Executive Order restricting the introduction of potentially harmful foreign plants and animals into the United States

Actions which affirm our concern for the global environment

- A major interagency study to assess potential global environmental changes and their impact on the United States
- An offer to assist interested nations in dealing with population problems
- Inclusion of environmental considerations in assistance programs of the Agency for International Development
- Support for a number of international environmental agreements
- A prohibition on commercial whaling in the U.S. 200-mile fisheries zone

Actions to improve implementation of environmental laws

- An Executive Order directing the Council on Environmental Quality to issue regulations reducing paperwork in the environmental impact statement process

- Development of legislation to create one consolidated environmental grant program
- A review of environmental coordination legislation to reduce overlapping and conflicting requirements.

I. POLLUTION AND HEALTH

At the beginning of this decade, the United States embarked on a long overdue program to reduce pollution and make our environment healthier and more livable. My Administration fully supports the progressive legislation that has been enacted. We are particularly committed to strong measures to protect our most important resource—human health—from the increasingly apparent problem of hazardous substances in the environment.

- We plan to improve enforcement of our pollution control laws.
- We intend to make increased use of economic incentives to achieve our environmental goals.
- We will seize opportunities to reduce pollution by conserving resources.
- We will work with state and local governments to make sure that the job of controlling pollution is properly planned and does not stop with the promulgation of regulations in Washington.
- We will make every effort to see that regulation of a problem in one medium—such as water—does not create new environmental problems in another medium—such as air.
- And we will squarely face emerging environmental problems so that they can be dealt with effectively without an atmosphere of crisis.

TOXIC CHEMICALS

The presence of toxic chemicals in our environment is one of the grimmest discoveries of the industrial era. Rather than coping with these hazards after they have

escaped into our environment, our primary objective must be to prevent them from entering the environment at all.

At least a dozen major federal statutes, implemented by seven different agencies, address this problem in various ways. With the enactment last year of the Toxic Substances Control Act, no further comprehensive federal legislation should be necessary. Now we must inaugurate a coordinated federal effort to exclude these chemicals from our environment.

I am therefore instructing the Council on Environmental Quality to develop an interagency program (1) to eliminate overlaps and fill gaps in the collection of data on toxic chemicals, and (2) to coordinate federal research and regulatory activities affecting them.

The Toxic Substances Control Act enables the federal government, for the first time, to gather the information on chemical substances needed to determine their potential for damaging human health and the environment, and to control them where necessary to protect the public. My FY 1978 budget provides nearly \$29 million—a threefold increase over Fiscal 1977—for the Environmental Protection Agency to implement this important Act.

I have instructed the Environmental Protection Agency to give its highest priority to developing 1983-best-available-technology industrial effluent standards which will control toxic pollutants under the Federal Water Pollution Control Act, and to incorporate these standards into discharge permits. My Administration will be seeking amendments to this Act, including revision of Section 307(a), to permit the Environmental Protection Agency to move more decisively against the discharge of chemicals potentially injurious to human health.

Finally, I have instructed the Environmental Protection Agency to set standards

under the Safe Drinking Water Act which will limit human exposure to toxic substances in drinking water, beginning with potential carcinogens.

THE WORKPLACE

Each year, environmental hazards in the workplace cause at least 390,000 new cases of disease and perhaps as many as 100,000 deaths. Regulation of toxic chemicals will reduce this toll, but other steps are also necessary to protect worker health and to assure adequate compensation to those who suffer from occupational diseases.

In the past, implementation of the Occupational Safety and Health Act of 1970 has emphasized safety and too often resulted in unnecessary and burdensome regulations. Yet at the same time the federal response to health problems has been unconscionably slow. Under my Administration OSHA will develop and enforce effective standards for occupational health without repeating the excesses of the past. We will continue to work with the Congress to strengthen the Coal Mine Health and Safety Act and the Metallic and Nonmetallic Mine Safety Act, and we are now implementing administrative reforms to improve standard-setting procedures, enforcement, and penalty collection.

In addition, my Administration will explore and develop proposals to supplement federal occupational health regulations, and will examine the full range of reforms that might be undertaken by the appropriate levels of government to assure adequate compensation for occupationally-induced diseases.

AIR POLLUTION

Clean air is essential to the health and welfare of all Americans. Although we have made considerable progress, much remains to be done before we have fully

achieved our ambient air quality goals.

My Administration has already submitted to the Congress certain amendments to the Clean Air Act. I support:

- Strong provisions to prevent the deterioration of air quality in already clean areas;
- A program to protect visibility in our national parks and wilderness areas;
- Strong enforcement tools, including economic penalties to eliminate the benefits of delay or noncompliance;
- The use of "best available control" technologies in all new facilities;
- Strict controls on coal-burning plants to insure that they meet air quality standards;
- Emission limitations for automobiles which help meet clean air goals but allow achievement of strict fuel economy standards;
- State implementation of inspection and maintenance programs in seriously polluted areas to ensure that automobiles continue to meet emission control requirements while in use.

In addition, I have instructed the Administrator of the Environmental Protection Agency to review his agency's regulations controlling new industrial growth in areas now violating air quality health standards and to recommend to me and to the Congress a fair and effective policy for meeting these standards in the future. Adoption of new legislative provisions in this area should await the results of this review.

WATER QUALITY

The nation has made considerable progress in cleaning up its waters under the program set forth in the 1972 amendments to the Federal Water Pollution Control Act, but much remains to be done in order to achieve the Act's goal of fishable and swimmable waters. Three areas deserve particular attention:

(1) To help control pollution from municipal sewage systems—an effort that currently involves 10,000 projects in planning or under construction—we need substantial additional funding. I have already asked the Congress to authorize the expenditure of \$4.5 billion in each of the next ten years for municipal waste water treatment facilities and to allow a one-year extension in the September 1977 deadline for the obligation of construction grant funds. But at the same time we need to be sure that sewage projects supported by federal money do not create additional environmental problems, and that they are designed to encourage water conservation as well as water treatment. We also must ensure that the systems are operated properly once they have been built; that there is an effective pretreatment program to remove harmful industrial wastes from these systems; and that we are carefully considering alternative solutions, particularly in smaller communities, so that we can be sure of building the projects which are economically and environmentally most effective.

(2) I have already asked the Congress to increase the funds available for the Section 208 Planning Program, which helps place water quality management in the hands of state and local government, where much of the job of prevention and abatement must actually be done. This Section of the 1972 Amendments provides a means for addressing the increasingly serious problem of pollution caused by runoff from agriculture, mining, forestry, and urban streets. To make it operate effectively, tough state and local plans addressing these problems must be completed and implemented as soon as possible.

(3) Finally, I will be submitting further water quality amendments for your consideration in the current session. They will include provisions to make pollution

unprofitable as well as illegal by imposing penalties on firms that have failed to abate their pollution on schedule; provisions to make law enforcement more stringent; and provisions necessary to ensure that actions are taken in accord with water quality management plans.

SOLID WASTE

"Solid wastes" are the discarded leftovers of our advanced consumer society. This growing mountain of garbage and trash represents not only an attitude of indifference toward valuable natural resources, but also a serious economic and public health problem.

The Resource Conservation and Recovery Act, passed in 1976, gave the Environmental Protection Agency the authority it needs to regulate hazardous wastes and to assure the safe disposal of other residues. Now it is important to move beyond the symptoms and address two principal causes of the solid waste problem: excessive packaging and inadequate use of recycled materials.

The Act requires the EPA to undertake, through an Interagency Resource Conservation Committee, a two-year study of ways to encourage waste reduction, recycling, and resource recovery with financial incentives like solid waste disposal charges, refundable deposits on containers, federal procurement of recycled materials, and excise taxes for litter clean-up. I am asking the Committee to accelerate its study and within six months present to me its first recommendations which are to address the use of solid waste disposal charges (levies on materials and products which reflect the costs associated with their ultimate disposal).

In addition, I am taking several actions to encourage resource conservation within the federal government. In the White House itself, recycled paper will be used wherever practicable as soon as present

stocks of paper have been exhausted. I am instructing the Administrator of the General Services Administration and the heads of other appropriate federal agencies to institute a waste paper recycling program wherever practicable by the end of this calendar year. I am also instructing the GSA to revise its paper-product specifications to encourage the purchase of more recycled paper.

PEST MANAGEMENT

For several decades, chemical pesticides have been the foundation of agricultural, public health, and residential pest control. Approximately 1400 different chemicals are used in pesticide products, and some of these, as we have begun to discover, impose an unacceptable risk to our health and our environment.

To improve the safety and effectiveness of pest management, I am recommending two measures—one a short-term legislative step, and the other a long-term change in the way we approach this problem.

(1) I am asking the Administrator of the Environmental Protection Agency to work with the Congress in enacting an amendment to the Federal Insecticide, Fungicide, and Rodenticide Act which would allow the EPA to regulate directly these 1400 active chemical ingredients, rather than the 40,000 different commercial products which contain them in varying amounts. This change will help speed the registration of safe and desirable pest control compounds, and it will permit swifter revocation of registration for those which pose unwarranted risks.

(2) I am instructing the Council on Environmental Quality, at the conclusion of its ongoing review of integrated pest management in the United States, to recommend actions which the federal government can take to encourage the development and application of pest man-

agement techniques which emphasize the use of natural biological controls like predators, pest-specific diseases, pest-resistant plant varieties, and hormones, relying on chemical agents only as needed.

II. ENERGY AND THE ENVIRONMENT

In countless ways, our environment is affected by the production, distribution, and use of energy. Some of these—for example, the need to control oil tanker pollution and the need to restrict plutonium technology—I have already discussed in specific messages to the Congress. Others are implicit in my energy proposals, since the act of reversing our present wasteful energy practices will itself have many beneficial consequences for the environment. The transition to renewable energy sources, particularly solar energy, must be made. But it will take time. Meanwhile we should satisfy our energy needs from existing sources, both fossil and nuclear, in a safe and environmentally acceptable way. In particular, my Energy Plan outlined a number of steps this Administration will take to deal with domestic nuclear safety and spent fuel storage: an improved inspection program; mandatory reporting of all mishaps and failures; development of improved siting criteria; a review of the entire licensing process; and a review of the Energy Research and Development Administration's radioactive waste management program. The decisions we make about energy in the next few years will influence the environment of our country for generations.

THE OUTER CONTINENTAL SHELF

The oil and gas under federal ownership on the outer continental shelf must be developed in an orderly manner, reconciling the nation's energy needs with the fullest possible protection of the environment.

Amendments to the OCS Lands Act now being considered by the Congress, with provisions proposed by the Administration, will provide important new authority to the Secretary of the Interior. I urge expeditious passage of legislation to regulate the outer continental shelf, and in particular I favor provisions which would:

- Permit full evaluation of the effects of oil production, and cancel leases or terminate operations when harm or damage to the environment outweighs the advantage of continued operations;
- Improve consultation with states and communities to assure that they have a real role in decisions which affect them;
- Require industry to use the best available economically achievable safety and pollution control technology in operations on the outer continental shelf.

In addition to new legislation, certain administrative steps should be taken in this area. The first is to assess the size and scheduling of the OCS program. The Secretary of the Interior has already revised this program through 1978 to reflect reasonable production objectives as well as the various environmental considerations in each OCS region.

As the Secretary now proceeds to re-evaluate the longer-term OCS program, I have directed him to work closely with the Governors of affected coastal states to guarantee that proposals for the timing and sequence of offshore lease sales are reasonable, not only in a technological sense but also in economic, social, and environmental respects. Because the Alaskan outer continental shelf is particularly sensitive and controversial, I am directing him to give special emphasis to it. I have also asked him to work closely with the Secretary of Commerce as she identifies potential marine sanctuaries in areas where leasing appears imminent.

To obtain fuller knowledge about the environmental impact of leasing and production, and to increase participation by the states in the process of decision, I have further directed the Secretary of the Interior to:

- Establish an OCS Information Clearinghouse to receive inquiries about federal OCS activity;
- Develop regulations, operating orders, and lease provisions specifying the information required from industry about both the offshore and onshore impacts of prospective development;
- Facilitate cooperative planning among industry, the Interior Department, the Department of Transportation, and the states for lease development, pipeline locations, pipeline standards, and onshore facilities;
- Establish procedures for compliance with the National Environmental Policy Act in connection with development plan approvals.

Because OCS activities should be administered in the most orderly way possible, I am directing the Secretary of the Interior to study carefully the prospect of reorganizing his Department's management of these valuable resources.

He and the Administrator of the Environmental Protection Agency should also coordinate their respective regulatory activities to ensure that exploration and development are not delayed by procedural confusion.

COAL

As our nation increasingly turns to coal as a replacement for our dwindling supplies of oil and gas, we must be sure that we will not fall short of the goals we have established to protect human health and the general environment.

Essential to environmentally sound use of coal is the expeditious passage of strong national strip mine legislation. My Ad-

ministration has submitted to the Congress amendments by which alluvial valley floors, prime agricultural lands, and the mountains and valleys of Appalachia can be protected. These improvements, together with the comprehensive reclamation, administrative and enforcement provisions of the bill, will allow increased reliance on coal without sacrificing the environment. I urge final approval of this legislation in its strongest form. The Department of Interior has already begun preparations to implement the bill when it becomes law.

In the near term the switch to coal must be accomplished with currently available technology. In my Energy Plan I recognized that pollution control technology for direct combustion of coal is not fully adequate and directed that federal research be increased in certain key areas.

In the longer term, we must be sure that technological advances, such as conversion of coal to synthetic fuels, do not create undue environmental and health risks.

Accordingly, I am directing the Administrators of the Energy Research and Development Administration and the Environmental Protection Agency, and the Secretary of Health, Education, and Welfare to establish a joint program to identify the health and environmental effects of each advanced technology that is the subject of federal research and development.

I am also directing the Administrators of the Energy Research and Development Administration and the Environmental Protection Agency jointly to develop procedures for establishing environmental protection standards for all new energy technologies. These procedures should be agreed upon within one year.

Because extensive use of coal requires huge amounts of water, I am directing the Secretary of the Interior to prepare a

nationwide evaluation of the water supply needs and availability for development of various energy resources. He should prepare his report in cooperation with the Water Resources Council, the Administrator of the Energy Research and Development Administration, and other federal agencies.

The newly enacted Coal Leasing Amendments and the Federal Land Management and Policy Act provide the Secretary of the Interior with the necessary authority to carry out environmentally sound, comprehensive planning for the public lands. His duty now is to implement an affirmative program for managing coal lands and associated resources in a manner that fully protects the public interest and respects the rights of private surface owners.

To accomplish this, I am directing the Secretary of the Interior to manage the coal leasing program to assure that it can respond to reasonable production goals by leasing only those areas where mining is environmentally acceptable and compatible with other land uses. Specifically:

- The Secretary of the Interior, using environmental reviews, coal assessments, and indications of market interest, should determine which lands are appropriate to offer for lease.

- Land use plans should be completed before a decision to offer specific tracts for sale.

- No tract should be leased unless the Secretary is satisfied that the environmental impact of mining would be acceptable and that the federal government will receive a fair market value for the lease.

In response to concern about the large numbers of non-producing federal coal leases in the Western states, I am directing the Secretary of the Interior to scrutinize the existing leases (and applications for preference right leases) to determine whether they show prospects for timely

development in an environmentally acceptable manner. He should take whatever steps are necessary to deal with non-producing and environmentally unsatisfactory leases and applications. These may include the following:

- Exchange of environmentally unsatisfactory leases or application for environmentally acceptable coal lands of equivalent value;

- Reassessment of the basis for granting or denying preference right leases;

- Submission of legislation to authorize the condemnation of outstanding rights upon payment of reasonable compensation, if necessary to prevent environmental damage.

III. THE URBAN ENVIRONMENT

The National Environmental Policy Act speaks of the need to assure every American safe and healthful surroundings in which to live and work. For many of our citizens in urban areas, this goal is still remote.

Many existing environmental protection programs directly benefit the cities, of course, because that is where most of our pollution problems are. For example, controls on the emission of lead from automobile exhaust are of serious concern to inner-city residents. And as water pollution programs make rivers and streams cleaner, there will be more recreational opportunities in urban areas.

City life need not be a discouraging struggle against adversity; it can be an enriching experience. But it will take more than stopping pollution to make our cities the congenial, livable places they ought to be.

To halt the degradation of the urban environment and to conserve and develop its rich historic and physical resources, the place to begin is with the neighborhoods themselves. In the past, wholesale destruction and rebuilding have led to a

spurious "renewal" that destroys the sense of human community on which a city's vigor depends. By redirecting the resources of the federal government into neighborhood preservation and conservation, we can begin the work of intelligently restoring our cities. These proposals are part of that program:

- I am directing all federal agencies to assess their programs to ensure that they take advantage of our rich architectural heritage wherever possible, for example by locating federal offices in historic buildings and by supporting projects that are compatible with and contribute to the local cultural and historic environment.

- I have instructed the Secretary of Housing and Urban Development to expand the urban homsteading program by making available more and better-quality houses; by ensuring that adequate rehabilitation assistance is available to participants; and by coordinating the program more closely with other federal, state, and community efforts.

IV. NATURAL RESOURCES

Protection of this country's natural resources depends in large part on the actions, leadership, and example of the federal government. Too often our water, wetlands, minerals, timber, and other resources have been managed imprudently, in disregard of sound environmental principles. Too often, narrow economic interests have enjoyed undue influence over the use of our public domain. As a result the resources which belong to all our citizens have sometimes been carelessly squandered.

My Administration is committed to a policy of effective stewardship of our public lands and natural resources. That policy includes conservation, multiple use of resources, and a reluctance to disrupt natural ecosystems. At a time when it has become apparent that we can no longer

afford the waste and misuse of any natural resources, the need for these steps is clear.

WATER RESOURCES POLICY

One of the pressing domestic issues facing this Administration and this Congress is the establishment of a national water resources management policy.

I believe that it is essential to confine the public works efforts of the water development agencies to projects that can meet such defensible criteria as economic efficiency, safety, environmental protection, and fair distribution of project benefits. I have already recommended to the Congress a number of cost-saving adjustments in our water resource programs. Beyond that, we need comprehensive reform of water resources policy, with water conservation as its cornerstone.

I am therefore directing the Office of Management and Budget, the Council on Environmental Quality, and the Water Resources Council to conduct, in consultation with the Congress and with the public, a review of the present federal water resource policy. I have requested them to complete this joint study within six months and to present me with concrete recommendations for policy coordination and reform.

In addition, as a first step in redirecting present practices, I am today issuing an Executive Order designed to minimize the potential loss of human life and property from floods. This Order directs all appropriate federal agencies to refrain from supporting, funding, or issuing permits and licenses to new construction projects located in floodplains unless the agency determines that no practicable alternative location exists.

WETLANDS

The important ecological function of coastal and inland wetlands is well known

to natural scientists. The lasting benefits that society derives from these areas often far exceed the immediate advantage their owners might get from draining or filling them. Their destruction shifts economic and environmental costs to other citizens—often in other states—who have had no voice in the decision to alter them.

We are losing wetlands at the rate of some 300,000 acres per year. While many of the individual developments which have caused this loss may once have been appropriate—and some still may be—we must now protect against the cumulative effects of reducing our total wetlands acreage. For these reasons, I am proposing a concerted federal effort to protect our wetlands. This includes the following steps:

(1) The federal government will no longer subsidize the destruction of wetlands. I am today issuing an Executive Order directing all appropriate federal agencies to refrain from giving financial support to proposed developments in wetlands unless the agency determines that no practicable alternative sites exist.

(2) I support implementation of the Federal Water Pollution Control Act program which regulates the filling and disposal of dredged materials in all U.S. waters or associated wetlands. This important program is essential to wetlands protection, but it should be carried out in a way that avoids undue federal regulation. The present program exempts normal farming, ranching, and forestry practices, and it allows for general permits that do not tie up individuals in unnecessary red tape. These provisions have my support. My forthcoming amendments to the Federal Water Pollution Control Act will include proposals to improve wetlands protection and to authorize the states to assume responsibility for carrying out major portions of this program.

(3) To protect and sustain waterfowl for recreational enjoyment, I am proposing a budget increase of \$50 million over the next five years to purchase wetlands, and I have already included in both the FY 1977 and FY 1978 budgets another \$10 million for this purpose. I also urge the Congress to enact legislation increasing the price of migratory bird conservation and hunting stamps (the so-called "duck" stamp) so that additional revenue will be available for waterfowl habitat acquisition.

COASTAL BARRIER ISLANDS

Coastal barrier islands are a fragile buffer between the wetlands and the sea. The 189 barrier islands on the Atlantic and Gulf Coasts are an integral part of an ecosystem which helps protect inland areas from flood waves and hurricanes. Many of them are unstable and not suited for development, yet in the past the federal government has subsidized and insured new construction on them. Eventually, we can expect heavy economic losses from this shortsighted policy.

About 68 coastal barrier islands are still unspoiled. Because I believe these remaining natural islands should be protected from unwise development, I am directing the Secretary of the Interior, in consultation with the Secretary of Commerce, the Council on Environmental Quality, and state and local officials of coastal areas, to develop an effective plan for protecting the islands.

His report should include recommendations for action to achieve this purpose.

MARINE SANCTUARIES

Existing legislation allows the Secretary of Commerce to protect certain estuarine and ocean resources from the ill-effects of development by designating marine sanctuaries. Yet only two sanctuaries have

been established since 1972, when the program began.

I am, therefore, instructing the Secretary of Commerce to identify possible sanctuaries in areas where development appears imminent, and to begin collecting the data necessary to designate them as such under the law.

MINING

For more than a century, the development of hardrock minerals on the public lands has been governed by the Mining Law of 1872. This law once served an important purpose: encouraging settlement of the West and rapid development of mineral wealth there. But it is now outdated and inadequate. It fails to set forth clear authority for establishing environmental standards, and in some cases has allowed mining operations to degrade the water, soil, and air. It ignores the need for balanced management of resources and it has permitted the public's mineral resources to be developed without any royalty return to the federal treasury.

Therefore I am today instructing the Secretary of the Interior to prepare, for submission to the Congress, legislation to replace the Mining Law of 1872 with one more suited to contemporary needs. Among its provisions should be these: (1) a leasing system for publicly owned hardrock minerals; (2) explicit federal discretionary authority over mineral exploration and development on the public lands; (3) strict standards for environmental protection and for reclamation of mined areas; (4) a requirement for approval of operation and reclamation plans before mining can begin; (5) royalties for use of public lands and mineral resources; and (6) the integration of mining into land use plans being developed for the public lands.

FOREST MANAGEMENT

Since the passage in recent years of landmark legislation—the Forest and Rangelands Renewable Resources Planning Act, and the National Forest Management Act—the greatest challenge remaining to American forestry is to improve the condition and production of small private forest holdings. Various federal programs have, in the past, encouraged better management of these 296 million acres, which account for three-fifths of America's total productive forests. Now it is time to consider whether they are accomplishing their purpose.

Consequently, I am asking the Secretary of Agriculture to undertake a comprehensive study of the Cooperative Forestry Program. This study should consider the need for measures to:

- Assure that forestry programs support national environmental goals;
- Assure that assistance to non-federal forest owners will emphasize interdisciplinary and multiple use management;
- Improve the capability of private forest lands to meet the nation's need for wood;
- Prevent and control pollution, fires, and insects and diseases that damage forests, using environmentally sound methods, such as biological pest controls;
- Improve and maintain fish and wildlife habitats, particularly those that are critical for threatened and endangered species;
- Strengthen planning and management capabilities of state and local forestry agencies.

The study should also examine the desirability of providing financial assistance to state forestry agencies on the basis of state forestry plans rather than through the present fragmented approach.

OFF-ROAD VEHICLES

While off-road vehicles provide enjoyment and recreation for many, their indiscriminate use poses a threat to our public lands. Uncontrolled, they have ruined fragile soils, harassed wildlife, and damaged unique archaeological sites.

In 1972, federal agencies began to control the use of such vehicles on the public lands under Executive Order 11644. While these regulations have achieved some measure of protection for the soil, vegetation, and other values of the public land, environmental damage has continued in certain areas. Accordingly, I am today amending this Executive Order to exclude off-road vehicles from certain portions of the public lands where their use has caused (or seems likely to cause) considerable environmental damage.

V. THE NATIONAL HERITAGE

In its land and its history, a nation finds the things which give it continuity. By preserving places that have special natural, historical, cultural, and scientific value, we can ensure that our children and grandchildren have a chance to know something of the America that we—and our ancestors—simply took for granted.

More than 300 such places have already been set aside in our National Park System. I have already demonstrated my support for the National Park Service by submitting to the Congress an accelerated, five-year, \$759 million program to develop new and existing parklands, and to increase the park staff so that these irreplaceable resources can be better protected and seen by more visitors.

This step, though clearly needed, must be supported by a thorough re-examination of existing federal programs dealing with our natural and historic heritage. These have proliferated in a way that serves neither efficiency nor effectiveness,

and they have sometimes impeded the preservationist efforts of states and private citizens. I believe we should establish a comprehensive federal program, to be known as the National Heritage Trust, to identify, acquire, and protect these resources; to provide for rapid acquisition of the most significant and endangered areas and examples of natural ecosystems; to protect areas already within federal jurisdiction; and to coordinate federal programs within states and private citizens more effectively. I have directed the Secretary of the Interior to develop a National Heritage Trust proposal within 120 days.

ALASKA

While my National Heritage Trust proposal will focus on small but important areas, the Congress now has an opportunity of historic dimensions to conserve large unspoiled sections of the American wilderness in Alaska. Under the terms of the Alaska Native Claims Act, the Congress is to consider designation of major additions to the National Park, Forest, Wildlife Refuge, and Wild and Scenic River Systems. We can double the size of the Wildlife Refuge and the Park Systems, as well as add to the Forest and Wild and Scenic River Systems, at no acquisition cost. No conservation action the 95th Congress could take would have more lasting value than this. But if Congress fails to act by December 1978, the opportunity will be automatically lost. In the near future, my Administration will submit detailed recommendations for these Alaskan lands.

WILDERNESS

When the Congress passed the Wilderness Act in 1964, it established a landmark of American conservation policy. The National Wilderness Preservation System created by this Act must be expanded promptly, before the most deserv-

ing areas of federal lands are opened to other uses and lost to wilderness forever. I endorse, and in some cases am proposing to expand, all of the more than 24 million acres of wilderness proposals submitted to the Congress by previous Administrations.

Among the proposed areas I will recommend to enlarge are the following:

- Idaho and Salmon River Breaks Wilderness, Idaho;
- Guadalupe Escarpment Wilderness, New Mexico and Texas;
- Beartooth—Absaroka Wilderness, Montana and Wyoming;
- Grand Canyon National Park, Arizona;
- Kenai Moose Range, Alaska.

I am submitting new wilderness proposals for:

- Arches National Park, Utah;
- Canyon Lands National Park, Utah;
- Capitol Reef National Park, Utah;
- Buffalo National River, Arkansas.

I will soon submit a proposal to designate as wilderness portions of Gulf Island National Seashore in Mississippi and Florida, and I will give early attention to other wilderness proposals, including portions of the Oregon Dunes National Recreation Area, Oregon, and Aravaipa Canyon, Arizona, which would be the first wilderness area on Bureau of Land Management lands. In addition, I support the objectives of the Endangered Wilderness legislation now pending before Congress. Members of my Administration have recently testified in favor of immediate wilderness designation or protective study designation for all areas in this bill.

I recognize the special need to preserve wilderness east of the Rockies and in Alaska, and I am directing that federal agencies expedite the preparation of wilderness proposals for these areas.

Finally, I have directed the Secretary of the Interior to initiate a vigorous wilder-

ness program for the Bureau of Land Management under the new Federal Land Management and Policy Act of 1976.

WILD AND SCENIC RIVERS

To date only 19 free-flowing rivers, totalling 1,655 miles, have been designated as part of the National Wild and Scenic Rivers System. Another 31 rivers have been identified as worthy of study for designation in the future.

We must identify as quickly as possible the best remaining candidates for inclusion in the Wild and Scenic Rivers System before they are dammed, channelized, or damaged by unwise development along their banks. As a first step, therefore, I am proposing legislation to add segments of eight rivers, totalling 1303 miles, to the system:

- Bruneau River, Idaho;
- Pere Marquette River, Michigan;
- Dolores River, Colorado;
- Rio Grande River, Texas;
- Salmon River, Idaho;
- Skagit River, Washington;
- Upper Delaware River, Pennsylvania and New York;
- Upper Mississippi River, Minnesota.

I further propose to designate twenty river segments for study as potential additions to the National Wild and Scenic Rivers System:

- Gila River, New Mexico;
- Green River, Utah;
- Illinois River, Arkansas;
- North Fork of the Kern River, California;
- Shenandoah River, Virginia and West Virginia;
- Sweetwater River, Wyoming;
- Cacapon River, West Virginia;
- Columbia River, Washington;
- Guadalupe River, Texas;
- John Day River, Oregon;
- Loxahatchee River, Florida;

- Niobrara River, Nebraska;
- Tangipahoa River, Louisiana and Mississippi;
- Yellowstone River, Wyoming and Montana;
- Ogeechee River, Georgia;
- Salt River, Arizona;
- Wenatchee River, Washington;
- Gulkana River, Alaska;
- Delta River, Alaska;
- Madison River, Montana.

I am also transmitting to the Congress reports on the Gasconade River in Missouri and the Penobscot River in Maine. After thorough study, both of these rivers have been found to qualify for inclusion in the National System with the recommendation that they be administered by the states. I am pleased at the number of states taking positive action to protect their natural resources and assure them that any proposals to add State-administered rivers to the National System will be sympathetically considered by the Secretary of the Interior.

I am also submitting legislation to the Congress to withdraw authority for future construction of the Cross-Florida Barge Canal, to extend the boundaries of the Ocala National Forest to protect the Oklawaha River, and to authorize study of the Oklawaha River for possible designation as a Wild and Scenic River. Enactment of this legislation will put an end to the long controversy over this ill-advised project. I am also directing the Secretary of Agriculture, the Secretary of the Army, and other appropriate federal agencies, in cooperation with the State of Florida, to recommend ways to dispose of canal lands and structures, as well as ways to restore the Oklawaha River portion of the project area.

NATIONAL TRAILS

In 1968 Congress passed the National Trails System Act, the purpose of which

was to designate and preserve a national system of recreational and scenic trails. Nine years later only two have been designated: the Appalachian Trail and the Pacific Coast Trail. Other unprotected trails on public lands have in the meantime become unusable. In some areas almost half the once-available trail mileage has been lost.

To restore and broaden the National Trails System, I am submitting legislation to designate three new Scenic Trails:

- a Continental Divide Scenic Trail of 3100 miles along the Rocky Mountains crest from Canada to Mexico;
- a North Country Scenic Trail of 3200 miles from eastern New York to North Dakota; and
- a Potomac Heritage Scenic Trail of 847 miles along the Potomac River from Chesapeake Bay to West Virginia and Pennsylvania.

In the near future I will also submit legislation to amend the National Trails System Act by adding a new category—Historic Trails—and I will give early attention to submitting trails in this new category.

WILDLIFE

When explorers and settlers from Europe first came to America, they were astonished at the richness and variety of wildlife in our lands and waters. Faced with such abundance, for years most Americans have valued only game species of wildlife. Our allocation of federal funds for wildlife research and management still reflects this outdated view. Ninety-seven out of every hundred federal wildlife dollars are devoted to the less than one percent of vertebrate species that are hunted or fished for commerce or sport. To the rest, little attention has been given, even though they are part of the biological system that sustains us. To correct this imbalance, I am directing the

Secretary of the Interior (1) to encourage states to apply existing federal-aid funds to the management of all species of wildlife, and (2) to propose other measures to improve the conservation of non-game wildlife.

Our Nation's public lands and waters support a rich wildlife resource which we hold in trust for all Americans, now and in the future. My Administration will assure that this public trust—for all wildlife—is adequately and effectively executed.

The public's interest in wildlife specifically includes predators, which have in the past sometimes been regarded as competitors for livestock or game, leading to their destruction (and in the case of some large predator species, to their extermination). Because we now realize the importance of the role that predators play in various ecosystems, our goal should be not to destroy them but to reduce the occasion for their conflict with livestock. My Administration will continue to support the existing Executive Order which prohibits the routine use of poisons for killing predators on the public lands. If control is necessary, it should focus on the individual predators causing the problem—not the species as a whole.

Many land and water development projects cause extensive damage to fish and wildlife habitat. My Administration will ensure timely implementation of the mitigation features required by the Fish and Wildlife Coordination Act to make up for such losses. Furthermore, to hasten the protection of threatened and endangered species, I am directing the Secretaries of Commerce and Interior to coordinate a government-wide effort, as required by the Endangered Species Act of 1973, to identify all habitat under Federal jurisdiction or control that is critical to the survival and recovery of these species. The purpose of this program is to

avoid the possibility that such habitats will be identified too late to affect federal project planning. Major projects now underway that are found to pose a serious threat to endangered species should be reassessed on a case-by-case basis.

In the past 150 years, hundreds of foreign wildlife species, both plant and animal, have been introduced into the natural ecosystems of the United States. Many of these have been highly detrimental to public health, agriculture, and native wildlife.

Consequently, I am today issuing an Executive Order restricting the introduction of exotic animals and plants into the United States and prohibiting their establishment on lands and waters managed by the federal government. In addition, I am directing the Secretaries of Agriculture and the Interior to develop further legislation to deal with the importation of exotic species.

The many laws which have recently been enacted to conserve our Nation's wildlife pose the risk of creating a confusing system of overlapping and conflicting requirements. Therefore, I am directing the Council on Environmental Quality to consult with the states and executive agencies and report to me in six months on the steps that should be taken to simplify, coordinate, and codify the body of law affecting wildlife conservation.

Finally, I have asked the Congress to increase the 1978 Fish and Wildlife Service Budget by \$23 million for environmental research, migratory bird protection, and aid to the states for endangered species. Because the maintenance and staffing of our national system of wildlife refuges has been sadly neglected for the past decade, I have also proposed a budget increase of \$295 million for rehabilitation, habitat improvement, and development of this system during the next five years.

REDWOOD NATIONAL PARK

Congress created Redwood National Park in 1968 to protect a magnificent stand of the world's tallest trees. Subsequently, however, logging and roadbuilding on adjacent private land have created severe erosion problems in the Redwood Creek Watershed. My Administration has proposed to the Congress that 48,000 carefully chosen acres be added to the Park, allowing us to protect existing parklands and to add to the Park additional stands of redwoods. This proposal would also provide for rehabilitation of the Redwood Creek Watershed.

Recognizing that further expansion of the Park might adversely affect the economies of nearby communities, I have directed the Secretaries of Commerce and Labor to develop a joint program to cushion the effects of temporary unemployment in the Redwood National Park area.

VI. THE GLOBAL ENVIRONMENT

Environmental problems do not stop at national boundaries. In the past decade we and other nations have come to recognize the urgency of international efforts to protect our common environment.

As part of this process, I am directing the Council on Environmental Quality and the Department of State, working in cooperation with the Environmental Protection Agency, the National Science Foundation, the National Oceanic and Atmospheric Administration, and other appropriate agencies, to make a one-year study of the probable changes in the world's population, natural resources, and environment through the end of the century. This study will serve as the foundation of our longer-term planning. I am also asking the Council on Environmental Quality, with the cooperation of the Department of State, to ensure that we

achieve the best possible coordination of the international environmental programs within the Executive Branch.

WORLD POPULATION

Rapid population growth is a major environmental problem of world dimensions. World population increased from three to four billion in the last 15 years, substantially cancelling out expansion in world food production and economic growth of the same period.

Without controlling the growth of population, the prospects for enough food, shelter, and other basic needs for all the world's people are dim. Where existence is already poor and precarious, efforts to obtain the necessities of life often degrade the environment for generations to come.

It is, of course, up to each nation to determine its own policies, but we are prepared to respond promptly and fully to all requests for assistance in population and health care programs. At my direction, the Department of State and the Agency for International Development stand ready to cooperate through international organizations, through private voluntary organizations, or through direct contacts with other governments.

ENVIRONMENTAL CONSIDERATIONS IN
ECONOMIC DEVELOPMENT ASSISTANCE

Whether to try to prevent or undo environmental damage is a decision each country must make for itself. But I am convinced that in the long run, development programs that are environmentally sound will yield the most economic benefits. To encourage the adoption of such programs, I have taken these steps:

(1) I have instructed the Secretary of State, the Administrator of AID, and other concerned federal agencies to ensure full consideration of the environmental soundness of development projects under review for possible assistance.

(2) I have asked the Administrator of AID to make available to developing countries assistance in environment and natural resources management. Such assistance could help developing countries design environmentally sound projects, regardless of the source of funding for a particular project.

INTERNATIONAL ENVIRONMENTAL AGREEMENTS

A number of federal agencies, under the guidance of the Council on Environmental Quality, are engaged in international conservation activity. I am directing my Administration to expand this effort, giving particular attention to the following areas:

(1) *The Endangered Species Convention* is now in effect. The next step is to implement the treaty effectively. The United States has begun efforts to prohibit trade in endangered species of plants and animals, and will encourage similar steps by other nations.

(2) Pursuant to the *Antarctic Treaty*, I am today submitting legislation to Congress to provide for special protection of the flora and fauna of Antarctica. Because this remote, unpopulated region greatly influences the stability of the entire earth's oceans and atmosphere, its unique environment must be preserved.

(3) *The Convention for Nature Protection and Wildlife Preservation in the Western Hemisphere* was signed by Franklin D. Roosevelt in 1940, but has yet to be carried out fully and systematically. I propose to the countries of the Americas that we now implement this Convention through the offices of the Organization of American States. I urge the development of a Pan-American Migratory Species Treaty, and the convening of an Inter-American Conference on the Management of Western Hemisphere Renewable

Natural Resources. The United States has already offered to host the Conference.

(4) I soon will send to the Senate for ratification the *Treaty for the Conservation of Migratory Birds and Their Environment*, which we signed with the Soviet Union last November. This treaty—and the legislation I will submit to implement it—will establish new authority to conserve the habitat necessary to the survival of these birds.

SAVING THE WHALES

Sharing the worldwide public concern about the condition of marine mammals, especially whales, I have directed the Secretary of Commerce, with the foreign policy guidance of the Secretary of State to:

- Prohibit commercial whaling within our 200-mile fishery zone;
- Pursue negotiations within the International Whaling Commission for a stronger international conservation regime for whales and other cetaceans, affording protection for them throughout their range;
- Maintain firm U.S. support for a ten-year worldwide moratorium on the commercial killing of whales; and
- Report to me within 60 days any actions by other countries that have diminished the effectiveness of the International Whaling Commission's conservation program.

VII. IMPROVING GOVERNMENT

The foregoing proposals, along with others which will follow in the coming years, constitute the most far-reaching environmental program ever put forward by any administration. My support for them is resolute, and it is personal. But belief in these goals does not necessarily mean uncritical belief in the federal government's present methods for achieving them. In the past, our environmental pol-

icies have not always used the most practical tools, nor the least costly; they have sometimes imposed burdensome bureaucratic regulations where economic incentives could have done the job as well; and they have occasionally ignored the need for different solutions in different areas of our diverse country. There is room for improvement.

1. Implementation of the National Environmental Policy Act

This Act is best known for requiring federal agencies to prepare environmental impact statements before taking actions having significant environmental effects. In the seven years since its passage, it has had a dramatic—and beneficial—influence on the way new projects are planned. But to be more useful to decision-makers and the public, environmental impact statements must be concise, readable, and based upon competent professional analysis. They must reflect a concern with quality, not quantity. We do not want impact statements that are measured by the inch or weighed by the pound.

Accordingly, I am today issuing an Executive Order directing the Council on Environmental Quality to issue regulations requiring all federal agencies to meet these criteria and the provisions of Section 102(2) of the National Environmental Policy Act in the impact statements they prepare and to establish a procedure for referring to the Council differences among agencies concerning implementation of the National Environmental Policy Act.

2. Coordination within the Federal Government

Various programs within the Environmental Protection Agency provide funds to state and local government for planning, training, monitoring, enforcement, and research in pollution control. They

are presently authorized under different pieces of legislation, funded by different offices within the agency, and entail different procedures for allocation of their funds. In the near future I will submit legislation to the Congress designed to bring these programs together into one comprehensive environmental grant program.

The problem of uncoordinated policy is, unfortunately, not confined to any single federal agency. Today, before any federal agency can construct a new project, or grant funds to local or state governments, or issue a permit to a private party, it must comply with more than a score of different environmental review requirements. I have directed the Council on Environmental Quality to examine the present federal environmental review requirements and to recommend specific measures, including legislation, to clarify and integrate them in a way compatible with my broader proposals for governmental reorganization.

I am also directing the Council on Environmental Quality to establish an inter-agency task force to review present environmental monitoring and data programs, and to recommend improvements that would make these programs more effective.

3. Relations with Local Governments, Industry and the Public

My Administration will, in a variety of ways, move to simplify the delivery of federal programs and encourage a greater degree of local control. There are almost five hundred separate federal programs, most of which have separate planning requirements, providing tens of billions of dollars in assistance to state and local government. My Administration will support measures to bring these programs under a consistent, comprehensive policy, and to

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give state and local areas more influence over federal actions which affect them.

My Administration will also promote better cooperation between government and industry to solve some of our serious remaining pollution problems. I have directed the Administrator of the Environmental Protection Agency to meet with representatives of major industrial groups and develop a joint government-industry research program for unsolved pollution problems.

Finally, my Administration will support efforts to lower the barriers, financial and otherwise, against active public involvement in decisions that affect the quality of the environment. The surest way to sustain our environmental laws is to encourage citizens to hold the government accountable for enforcing and obeying them.

JIMMY CARTER

The White House,
May 23, 1977.

United States Ambassador to Sierra Leone

*Nomination of John A. Linehan.
May 23, 1977*

The President today announced that he will nominate John A. Linehan, of Bethesda, Md., to be Ambassador Extraordinary and Plenipotentiary of the United States to Sierra Leone. Linehan is Deputy Chief of Mission in Accra, Ghana.

He was born July 20, 1924, in Gloucester, Mass. He received a B.A. from Boston University in 1948, a B.S. from Georgetown University in 1949, and an M.P.S. from Auburn University in 1971. He served in the U.S. Army from 1943 to 1945.

Linehan served as a clerk at the State Department in 1949 and 1950 and as a foreign affairs officer from 1950 to 1952. From 1953 to 1956, he was consular officer in Paris, and from 1956 to 1958 he was consular officer in Quebec.

From 1958 to 1962, Linehan was a personnel officer, placement specialist, and then international relations officer at the State Department. He served as principal officer in Adelaide from 1962 to 1967 and as supervisor political officer in Monrovia from 1967 to 1970.

Linehan was detailed to the Air War College in 1970-71. From 1971 to 1973, he was an international relations officer at the State Department, and from 1973 to 1975 he was Director of the Office of Public Affairs at the Bureau of African Affairs. Since 1975 he has been Deputy Chief of Mission in Accra.

White House Fellows

*Appointment of 14 Fellows for the 1977-78
Program. May 23, 1977*

The President today announced the appointments of the 14 1977-78 White House Fellows, the 13th group since the creation of the program.

The Fellows were chosen from among 1334 applicants and were screened by 11 regional panels. The President's Commission interviewed 37 national finalists before recommending the 14 persons to the President. They begin their year of service with the Federal Government on September 1.

The 1977-78 White House Fellows are:

JOSEPH B. ANDERSON, 34, formerly of Topeka, Kans., Major, U.S. Army, attending the U.S. Army Command and General Staff College, Ft. Leavenworth, Kans.;

- GREGORY H. CANAVAN, 33, of Falls Church, Va., Lieutenant Colonel, U.S. Air Force, Program Manager for Advanced Laser Research, Advance Research Projects Agency, Arlington;
- MARTHA A. DARLING, 32, of Seattle, Wash., executive director, Governor's Select Panel on the Department of Social and Health Services, Olympia;
- NELSON A. DIAZ, 30, of Mt. Holly, N.J., executive director, Spanish Merchants Association, Philadelphia, Pa.;
- THOMAS M. DOWNS, 33, of Leavenworth, Kans., city manager, city of Leavenworth;
- THOMAS E. HARVEY, 35, of New York, N.Y., attorney, Milbank, Tweed, Hadley & McCloy, New York City;
- BEVERLY J. HAWKINS, 30, of Los Angeles, Calif., instructor, School of Public Administration, University of Southern California, and policy consultant to Councilman Robert Farrell, city of Los Angeles;
- ROBERT O. HEAVNER, 35, of Colorado Springs, Colo., Major, U.S. Air Force, associate professor, U.S. Air Force Academy;
- JAMES S. JARDINE, 30, of Salt Lake City, Utah, associate, Ray, Quinney & Nebeker, attorneys, Salt Lake City;
- ROBERT R. KING, 34, formerly of Wyoming, assistant director of research, Radio Free Europe, Munich, Federal Republic of Germany;
- JACK A. LECUYER, 34, of West Point, N.Y., Major, U.S. Army, instructor in economics and international relations, U.S. Military Academy, West Point;
- J. STUART LEMLE, 28, formerly of White Plains, N.Y., Fulbright Fellow, New Delhi, India;
- LOUISE L. LIANG, M.D., 27, of Grosse Pointe Park, Mich., division head, division of pediatrics and adolescent medicine, Henry Ford Hospital, Dearborn;
- BRYANT L. YOUNG, 28, of San Francisco, Calif., attorney, Dinkelspiel, Pelavin, Steefel & Levitt, San Francisco.

The White House Fellowship program was established in 1964 to provide outstanding young Americans with firsthand experience in the process of governing the Nation. It is open to U.S. citizens from all occupations and professions. (Employees of the Federal Government are not eligible, with the exception of career Armed Forces personnel.)

In addition to their educational assignments with the Vice President, members of the Cabinet, and members of the White House staff, the Fellows participate in an extensive seminar program that typically includes some 300 off-record sessions with top Government officials, scholars, journalists, and leaders from various other segments of private life.

Leadership, intellectual and professional ability, and a commitment to community and Nation are the broad criteria employed in the selection process.

Applications for the 1978-79 program will be available in August 1977. Application forms and additional information on the program can be obtained by sending a postcard to the President's Commission on White House Fellowships, Washington, D.C. 20415, or by calling (202) 653-6263.

Corporate Fund for the Performing Arts at Kennedy Center

*Remarks at a Reception for Members of the
Corporate Fund. May 23, 1977*

First of all, let me thank all of you for coming out this afternoon to what I believe will be a very important and perhaps even historic meeting.

One of the finite aspects of our own system of life, our political structure, our economic structure, and our social structure is a pride that we have in an ability of people to excel and a proper interrelationship between government and our private citizens.

We've always felt that music, art, drama ought to be available to people without regard to their social or economic status, and I think it's only been in recent times that the focal point of our own Na-

tional Capital has been developed for this purpose.

The Kennedy Center is a place that I personally love very much. We've been there often since I have been President. Rosalynn and I go there every chance we get. We have seen a wide variety of programs and we've seen people enjoying the opera and the other performing arts that in many parts of the country would never have that opportunity.

I remember one time when I was at Carters Warehouse selling fertilizer to farmers, and the New Orleans Symphony Orchestra came to Americus, Georgia, to a very tiny college—no auditorium, no air conditioning—and the dean of liberal arts told all his students that they would get an extra grade on their final report card if their parents came to hear the New Orleans Symphony Orchestra. And you should have seen the farmers struggling to avoid that confrontation.

So, they finally went over to the basketball gymnasium, and there were 3,000 people stacked in there on a day even warmer than this. And for 2 weeks around the circle of symbolic pot-bellied stoves of Carters Warehouse, the topic of conversation among those farmers who had never before heard any sort of classical music was about that experience which was one of the most exhilarating of their lives.

That made a great impression on me, and I hope that as President I can work with you generous people, successful people, blessed with all the pleasures of life, to make this kind of enjoyment available to as many Americans as possible.

It's not proper to raise funds at the White House. We are not raising funds. But I just want to join with you in a commitment to make sure that the Kennedy Center is adequately financed. And, as you well know, the contributions that are made by fortunate and affluent Ameri-

cans, men and women, are used in the most efficient way to provide enjoyment for many thousands of Americans who would never otherwise have this pleasure.

And we form a partnership, those of us who are influential, relatively wealthy in all the material things, to share this with others that are not quite so fortunate as we.

So, I want to thank Mr. MacNaughton and Mr. Kennedy and particularly Pete Williams in the back, who came and asked me to help out—Pete, thank you. And I think that this will be the kind of project that will make all of us proud, not only because of what we have achieved in our own lives but just proud to be part of a country where this kind of contribution can be coming back to us with such rich personal reward.

Thank you very much.

NOTE: The President spoke at 5:15 p.m. in the Rose Garden at the White House. In his remarks, he referred to Donald S. MacNaughton, chairman of the Corporate Fund, Senator Edward M. Kennedy, and Senator Harrison A. (Pete) Williams, Jr.

The Corporate Fund for the Performing Arts is a voluntary association of officers of major corporations. It was formed to provide continuing corporate support for the ongoing activities of the Kennedy Center.

White House Conference on Handicapped Individuals

Remarks at the Opening Session of the Conference. May 23, 1977

Do you think we are making some progress now? Do you think we have a long way to go? Do you think we are going to get there? Right on.

I'm very proud to be here tonight in what I think is an historic occasion that will perhaps go down in the history of our country as a turning point in the minds

and hearts of the American people in their long overdue concern about a large group of Americans, about 36 million, who in the past have too often been ignored.

This is the first White House Conference on the Handicapped. I know that this is a tremendous assembly of leaders who have fought a long and sometimes discouraging battle to arrive here in Washington tonight. But this is not the first meeting. There have been dozens and dozens of meetings, attended by thousands of people in the 50 States of our country, and you have already brought to the consciousness of local and State officials an awareness of potential change for the better and many improvements that have already been made.

Labor, industry can work together with government to make sure that, jointly, our efforts are successful. There is hardly a national leader on Earth in all the 150 nations that span the globe, who are not now thinking about two words: human rights. And now we in our own country are applying those two words to the handicapped people of our country. It's long overdue.

For too long, handicapped people have been deprived of a right to an education. For too long, handicapped people have been excluded from the possibility of jobs and employment where they could support themselves. For too long, handicapped people have been kept out of buildings, have been kept off of streets and sidewalks, have been excluded from private and public transportation, and have been deprived of a simple right in many instances just to communicate with one another.

When I was inaugurated Governor of Georgia in January of 1971, I made a speech. And I said, in that southern State the time for racial discrimination is over. And I say to you tonight the time for discrimination against the handicapped in

the United States is over. [*Applause*] Thank you very much.

It would be a mistake for the rest of America to think that the benefits are only going to the handicapped, because when you get freedom, we share that freedom, and when the handicapped get benefits of education and a job and a purposeful life, we all share in the benefits of that education, that job, and a purposeful life.

The bill of rights for handicapped was spelled out in Title V of the Rehabilitation Act of 1973, and we are going to enforce the regulations that are specified in that bill. We're going to enforce the regulations that tear down the barriers of architecture, and we are going to enforce the regulations that tear down the barriers of transportation.

I know you have heard the announcements made by Secretary of Transportation Brock Adams about the Trans-Bus. We've spent millions of dollars—the Federal Government has spent millions of dollars investing in the kind of public transportation that would serve your needs. And I am going to really enjoy in the future—as soon as those buses can come off the assembly line, and all of the new ones are going to be these kinds of buses—when they come up to you on the sidewalk and kneel down to let you get in.

As you know, section 504, of which I am sure you have all heard and of which I am sure now that Joe Califano has also heard, has provided a framework for the regulations that have now been adopted. And Joe Califano assures me and he assures you that these regulations are going to be enforced.

They require that when programs are made available to the public that those programs are made available to the handicapped public; the employers will give a handicapped person a fair chance to correct the handicap and to become qualified for an available job.

They require the tearing down of the barriers that I have already described to you. When Federal funds come to the Health, Education, and Welfare Department, and later on without delay they will apply to all programs of a similar nature, they will provide that a handicapped child for the first time in the 200-year existence of our country has the right to go to free public schools, and that that child has a right to go to free public schools in a regular classroom with other students.

It's almost inconceivable, and it's a reflection on all of us in leadership positions that these basic rights have been delayed so long. These are times for thanksgiving, but for a sustained demand and a time to assess other opportunities in the future.

The civil rights of handicapped persons is not the only element of the laws that have been put into effect. We have got more than a hundred different programs in the Federal Government already for the handicapped. They are administered by many different agencies. There are a lot of different kinds of definitions for the handicap of the same person, and that means that many of you who have sought for a long time to take advantage of these programs, which the Congress and my predecessors in the White House have passed, have often had to go to four or five or six different agencies to get the simple treatment or opportunities which you deserved under the law.

It's time for us to change that, and one of the very good benefits of the reorganization authority that Congress has now given me is to bring all those programs for the handicapped together into one agency so you can understand them and take advantage of them.

As I look across this tremendous auditorium, with many different kinds of handicaps represented here, I know that many of them could have been prevented

in your early life. And we are not just concerned about the correction of an existing handicap or an opportunity for those who are handicapped; we want to prevent the handicaps that might occur in the future.

We've already proposed to the Congress a program for the screening, the health screening, of poor children, and within just a few years we will multiply five times the number of poor, young children who have a chance to see a doctor early in their life so their potential handicap or affliction might be prevented or corrected.

We now have 35 percent of the young children in this country who are not even immunized or inoculated against preventable diseases. When I was a child many years ago, almost 100 percent of all American children were immunized. We have started a new program now under Joe Califano's leadership and have asked the Congress for authority to increase greatly this immunization program so that within just a short time we intend to approach the 100 percent level again.

There is a hope that there will never be any lack of memory for the struggle that has been effective in making this night and this conference possible. We want to be sure that we don't forget the handicapped among us who cannot hold a job, who cannot respond to a full education, but we want to make sure that even when they are dependent for constant help, that they have every chance to grow and to learn and to take advantage of whatever great or small talent or ability God might have given them. We can't forget them.

In closing, I want to ask you to do one more thing, and that is that since you've bound yourselves together in a common purpose, understanding one another and overcoming the differences that exist among you, that now you try to understand the special needs of the nonhandi-

capped, to understand the needs of other handicapped people.

It's not a time for hatred or lashing out or recrimination or condemnation of the nonhandicapped for the long delays in meeting your needs, because many people who are not handicapped can't understand those special needs. So, it's a time of education both ways, and for a realization that only when we work together—the handicapped who are leaders, the handicapped who will always be dependent, the potentially handicapped child who wants to have that prevented and the non-handicapped adult leader—when we work together, we can continue to make even greater progress.

I know that in my own life I have been inspired by the courage that exists among many of you. One of my most proud moments was when we administered the oath of office to Max Cleland, a young man who now heads up a tremendous Federal agency, the Veterans Administration. When he was a tiny child he used to always ask God some day to let him work for his country and serve other people. He went to Vietnam as a volunteer after he was qualified, having finished college for his own professional career. He stepped out of a helicopter one day and saw a hand grenade on the ground, and trying to protect his fellow servicemen, he lost two legs and one arm.

He stays in a wheelchair. But I have never been around Max Cleland when I realized or thought that he had any handicap that constrained the full realization of his early prayers, because he serves in Government and he serves his fellow human beings. He's an inspiration to me, and his is an exhibition of constant courage which many of you also exhibit so well.

When I made my inauguration speech just a few weeks ago, I quoted a school-teacher of mine, Miss Julia Coleman. She was a principal in a tiny school where I

attended when I was a country boy. She taught me above and beyond the classroom how to write themes and how to debate and how to appreciate works of art and how to understand good music and how to read books that I would otherwise never have known to exist.

She was crippled, and she couldn't see the children in her classroom. I think she would have been a good teacher had she not been handicapped, but I think that knowing about her own shortcomings in a physical way gave an extra dimension and depth to her caring about other people.

Your conference is important. You're intelligent, courageous leaders. But because you have experienced suffering and because you have overcome it, I think the recommendations that will be coming from you that will affect the lives of many millions of people now and in the future will have that same extra dimension.

Our country needs you, and I know that you will never disappoint those who look to you for leadership.

Thank you very much.

NOTE: The President spoke at 8:05 p.m. in the Grand Ballroom at the Sheraton-Park Hotel.

Visit of Crown Prince Fahd of Saudi Arabia

*Remarks of the President and the Crown Prince at the Welcoming Ceremony.
May 24, 1977*

THE PRESIDENT. It is with the greatest degree of pleasure and pride that on behalf of the people of the United States I welcome to our country a good friend who represents a nation that has through the years grown closer and closer to us, His Royal Highness Crown Prince Fahd from Saudi Arabia.

He comes here as one who knows our country, who represents King Khalid, and the son of our long-time friend, his former father, for the first time in many, many years. There was a close relationship built between our own country and Saudi Arabia in 1945 when Former King Ibn Saud met with Franklin Delano Roosevelt on one of our ships.

At that time, there was a meeting of the minds and a recognition of the common goals that bound our countries together.

Under King Faisal, this friendship was strengthened, and now these great leaders have shown again and again that we share a common purpose, that we share a heritage that is completely compatible.

Three years ago, Crown Prince Fahd came here to continue this peaceful pursuit. We know that this is an important period of a search for peace, and our visits today and tomorrow will be designed to accommodate that search in the face of tremendous challenge, but at the same time tremendous opportunities.

We have great trade with each other. We export more than \$3½ billion worth of American-produced goods to Saudi Arabia, and, of course, we purchase vast quantities of oil from his rich nation. There are more than 30,000 Americans who live in Saudi Arabia and, as a matter of fact, that is more Americans than live in my own home county of Sumter County.

But this growing friendship and interrelationship has provided us with a sense of assurance that the basis for our friendship is sound.

I might say that we share some commitments. We share a common belief in a free enterprise system. We share a special friendship built over a long period of time, and our countries are the centers for deep religious convictions. This, I think, adds a degree of stability and mo-

rality to the purposes that our governments espouse.

For all these reasons, I am very grateful to see the leaders of Saudi Arabia and their people playing an increasingly significant role not only in the economic affairs of the world but the political affairs of the world.

I'm grateful that we have this strong tie of commonality, of historical purpose, and a realization that the future requires good leadership.

Prince Fahd, we welcome you to our country, and I look forward to fruitful discussions with you on how we can work together to ensure peace in your own troubled region of the world, and to bring new hope and new vision to all people who look to us for leadership.

Thank you for coming. We are grateful to have you here.

THE CROWN PRINCE. *Mr. President, the friendly American people:*

I have come from the Kingdom of Saudi Arabia to convey to you, Mr. President, and to the people of America, the warm greetings of His Majesty King Khalid Ibn Abdulaziz and the best wishes of the Saudi people.

It is a great pleasure to find myself in the United States once again, in this great country, in pursuit of what is good economically, socially for both of our countries, but furthermore for the good of humanity at large.

I consider myself a true friend of the United States of America, of the people of the United States of America, because I have for a long time cherished the friendly ties that bound me to this great people. And I am particularly happy that I stand here today amongst you surrounded by the evidence of that auspicious occasion, namely, the election of President Carter as President of the United States of America.

Mr. President, it's a delight to be in your great Nation which has recently celebrated its Bicentennial and to express my great pleasure at meeting with you, Mr. President. I am looking forward to exchanging views aimed at achieving stronger and deeper relations between our two countries which have enjoyed for a long time strong ties of friendship.

Among the foremost issues which are of importance, which I will be discussing with you, Mr. President, is the problem of the Middle East. I would like, if I may, to state things very frankly, to voice my optimism at discussing this issue with you, Mr. President.

This optimism stems from your own views, the wise views that the issue of Palestine is the core of the problem and that it is necessary to create a homeland for the Palestinian people in addition to your urging all concerned to seize upon this opportunity which we now have to reach a settlement lest it get lost.

These attitudes on your part, Mr. President, coupled with the tremendous moral as well as material capabilities at the disposal of the United States of America, make us hope that this problem which has brought many wars and sufferings to humanity is now on its way towards settlement.

At the same time, we share with you, Mr. President, the belief that unless there is a comprehensive and just solution to this problem, it will remain a source of great danger, not only to the area but to the whole world.

Mr. President, we wish nothing more for our area than peace and stability for all concerned. We realize the problems of wars and what wars bring trailing behind them by way of calamities on innocent peoples.

Mr. President, please accept my gratitude and my deep appreciation for this warm reception. Thank you.

In conclusion, I would like to seize this opportunity, Mr. President, to offer sincere greetings to the peoples of the United States of America, and also to turn to the people of Saudi Arabia, seeing between those two peoples the clasped hands of friendship and amity.

The presence in the Kingdom of Saudi Arabia of American citizens, a fact to which you referred, Mr. President, is only pleasurable to us. They are our cherished guests and friends. In fact, they are almost in their own country.

In conclusion, thank you very much, Mr. President.

NOTE: The President spoke at 10:05 a.m. on the South Lawn at the White House. Crown Prince Fahd Bin Abd al-Aziz al Saud spoke in Arabic, and his remarks were translated by an interpreter.

United States Ambassador to Saudi Arabia

Nomination of John C. West. May 24, 1977

The President today announced that he will nominate John C. West, of Camden, S.C., to be Ambassador Extraordinary and Plenipotentiary of the United States to the Kingdom of Saudi Arabia. West was Governor of South Carolina from 1971 to 1975, and is currently a partner in the law firm of West, Cooper, Bowen, Beard and Smoot.

West was born August 27, 1922, in Camden, S.C. He received a B.A. from The Citadel in 1942 and an LL.B. from the University of South Carolina in 1948. He served in the U.S. Army from 1942 to 1946.

From 1948 to 1970, West was a partner in the law firm of West, Holland, Furman and Cooper. He also served as a State senator in South Carolina from 1954 to 1966, and as lieutenant governor from 1966 to 1970.

West served as Governor of South Carolina from 1971 to 1975, and he has been with West, Cooper, Bowen, Beard and Smoot since then. In 1976 West headed the South Carolina Trade Mission visiting Jordan, Saudi Arabia, and Kuwait.

United Nations Economic and Social Council

Nomination of Melissa F. Wells To Be U.S. Representative. May 24, 1977

The President today announced that he will nominate Melissa F. Wells, of Brewster, N.Y., to be Representative of the United States on the Economic and Social Council of the United Nations, with the rank of Ambassador. In 1976 and 1977, Wells served as Ambassador to Guinea-Bissau and Cape Verde.

She was born November 18, 1932, in Tallinn, Estonia. She received a B.S.F.S. from Georgetown University in 1956.

From 1958 to 1961, Wells was an intelligence research specialist at the State Department. She served as political and consular officer in Port of Spain from 1961 to 1964, and as economic-commercial officer in Paris (OECD) from 1964 to 1966.

From 1966 to 1971, she was economic and commercial officer in London. She was a personnel officer at the State Department from 1971 to 1972 and an international economist in the Bureau of Economic and Business Affairs from 1972 to 1973.

Wells was detailed to the Department of Commerce from 1973 to 1975. In 1975 and 1976, she served as commercial officer

in Brasilia, and in 1976 and 1977, she served as Ambassador to Guinea-Bissau and Cape Verde.

Conference on Security and Cooperation in Europe

Nomination of Albert W. Sherer, Jr., for the Rank of Ambassador While Serving as Head of the U.S. Delegation to a Meeting. May 24, 1977

The President today announced that he will nominate Albert W. Sherer, Jr., of Greenwich, Conn., for the rank of Ambassador while serving as the Head of the U.S. delegation to the preparatory meeting in Belgrade of the Conference on Security and Cooperation in Europe (CSCE) and as Head of the delegation's working group at the main CSCE meeting in the autumn.

Sherer was born January 19, 1916, in Wheaton, Ill. He received a B.A. in 1938 from Yale University and an LL.B. in 1941 from Harvard University. He served in the U.S. Army Air Force from 1941 to 1945.

From 1946 to 1949, Sherer was commercial officer in Tangier, and he was temporarily detailed to Casablanca as consular and legal officer in 1947 and 1948. From 1949 to 1951, he was political officer in Budapest.

From 1951 to 1955, Sherer was Romanian desk officer in the Office of Eastern European Affairs at the State Department. He was political officer in Prague from 1955 to 1957 and officer in charge of Polish, Baltic, and Czech Affairs in the office of Eastern European Affairs from 1957 to 1960.

In 1960-61 Sherer attended the Bowie Seminar for International Affairs at Harvard University. He was Deputy Chief of Mission in Warsaw from 1961

to 1966, and Ambassador to Togo from 1967 to 1970. In 1968 and 1969, he was also accredited as Ambassador to Equatorial Guinea.

Sherer was Ambassador to Guinea from 1970 to 1972, and Ambassador to the Czechoslovak Socialist Republic from 1972 to 1975. In 1974 and 1975, he was Chief of the U.S. delegation to CSCE.

From 1975 to 1977, Sherer was Deputy Representative of the United States in the Security Council of the United Nations. In 1975 he served as Alternate U.S. Representative to the Seventh Special Session and the Thirtieth Session of the U.N. General Assembly, and in 1976 he served as Alternate U.S. Representative to the Thirty-first Session of the General Assembly. Since 1977 he has been Head of the U.S. delegation to the preparatory meeting in Belgrade of CSCE.

Small Business Awards

Remarks at the Presentation Ceremony. May 24, 1977

THE PRESIDENT. I have to say that if there's one group with whom I've met since I've been President and with whom I've felt at ease and at home and part of it, it's this one here.

A number of years ago, about 10 years, as a matter of fact, I was chosen the outstanding small businessman of Georgia. And when the review was sent in to the Washington office, they realized that I was running for political office that year, for Federal office, and I was excluded from the award. And I've always been very regretful about that. So, now I feel that I've had to take the second best position, as President.

This is a group which quite often I know serves as an inspiration for your

peers at home who study in more detail than you might imagine the particular achievements and problems and the innovative approaches that have made you all successful in being recognized for leadership and for accomplishments.

This is a program that's very good and inspiring, a renewed belief and confidence in the free enterprise system.

We see a lot of very bad publicity about the very few people, primarily in the larger corporations, who have violated laws or who have committed bribery overseas or who've had an improper relationship with political leaders and so forth. But the great and broad tens of thousands of small entrepreneurs who have with a great deal of courage and foresight and confidence started your business or continued one that was there is the backbone of our entire structural society.

So, I'm proud to be with you. I've also got something else in common with many of you—my own background was not in studying how to be a businessman. I've studied how to be a Naval officer. I was in the Navy for 11 years. And when I came home, I began my own business life. I couldn't make a go of it by myself. So I went to the Small Business Administration for a loan, and they not only gave me an adequate loan in cooperation with the local bank but they followed up that loan with very good and sound and mature and experienced advice.

We had a volunteer businessman who had to retire because of a heart attack who was in his late forties, and he would come down to Plains about once a month as a volunteer to represent the Small Business Administration and to work with me, to teach me about how to handle accounts receivables, to look over the different parts of my business to see which ones were productive and profitable and which ones were not, and to give me advice on

how to handle my customer relationships, my loans and service of those loans.

And this was something that was not only instructive for me but kept my head above water in the embryonic stages of my own business effort.

I think it's accurate to say also that my own relatively good experience in business gave me a sound basis on which I could conduct my own broader expansion of interest into politics. And there were many times when I was running for Governor or when I was running for President when I passed through a financial crisis, and my business reservoir of financial stability gave me a chance to overcome an obstacle that might otherwise have been fatal for me politically.

So, the business and the politics interrelationship in my own life I've never found to be incompatible. I think I'm a better President because I had the experience that you share with me.

The last thing I would like to say is that I hope that under Vernon Weaver, with his own similar background to my own, that we have an Administrator who will enhance the quality of all the Small Business Administration's functions, that there will be an understanding, a comprehension, a sensitivity about the needs of those like myself 15 or 20 years ago who did need help, and I hope that he will have confidence in those who deserve confidence and a special preoccupation with how to follow up a financial loan with a personal relationship to the borrower that might be both instructive and supportive.

The other thing I'd like to comment about is the special award program. I was kind of hoping that my brother would win—[laughter]—would win this year. But when they checked on his record, he was about one-tenth businessman and about nine-tenths entertainer. So he turned out to be not qualified.

But I was very delighted and I must say to some degree quite surprised at the coincidence that a former boyhood friend of mine, a man from Plains who moved off and then came back to an adjacent town, Larry Comer, has been chosen as the outstanding small businessman of our country.

From a distance I've seen his own achievement, not only in starting a business absolutely from scratch but making a contribution to the entire community structure that's admirable in every possible way. And I can vouch for the fact that his qualifications are superb. I know it was a difficult choice among all the other competitors who competed, just by doing your own jobs, not seeking an award, but I think it's gratifying to know that that choice has been made with a great attention to his unique and superb achievements.

He's a fine young man who has exemplified, I think, the small business community in almost a perfect fashion. He's honest and sincere. He's competent and well-respected, and I think he does show that a confidence in our own system and a confidence in one's self and a realization of a need for cooperation with a peer group and good working relationships, both with suppliers and customers, is an integral part of any success in business in our system. This commitment to self-reliance and basic human freedom and a confidence in our own Nation is something that we all share.

So, I congratulate Larry Comer and know that all of you join with me in wishing him well in the future and recognizing that he does represent the finest aspects of our own lives as small business people in the greatest country on Earth.

Thank you very much.

I would like now to deliver this award. It says: "The United States of America

Small Business Administration presents the National Small Business Person of the Year Award 1977 to Larry Comer for exemplifying the imagination, initiative, independence, and integrity by which the American small business person makes a vital contribution to the Nation, to the economy and to the free enterprise system." And it's signed "Vernon Weaver."

Congratulations.

MR. COMER. Thank you very much, Mr. President.

I am sure that we all know that SBA is a great institution. And on behalf of all SBA business persons here, we accept this award.

Thank you again.

THE PRESIDENT. I didn't know that he was here, but that fine volunteer businessman who came down to Plains to help me is on my left, Tom Perry, and I thank you again, Tom. It's just great to see you again.

NOTE: The President spoke at 1:32 p.m. in the Rose Garden at the White House. Also attending the ceremony were the winners of the State and Territorial Small Business Awards for 1977.

Genocide Convention

Message to the Senate Recommending Ratification. May 23, 1977

To the Senate of the United States:

I am honored to have the privilege of recommending to the Senate that it approve the Convention on the Prevention and Punishment of the Crime of Genocide. This Convention was initially drafted in the wake of the wanton acts committed by some of our enemies during the Second World War. With the strong support of the United States, the Convention was unanimously adopted by the

United Nations General Assembly on December 9, 1948.

The Convention, which now has 83 parties, provides that genocide consists of acts intended to destroy a national, ethnic, racial or religious groups as such. The parties to the Convention undertake to establish genocide as a criminal behavior under their own legal systems.

The Convention thus protects the most fundamental of all human rights—the right to live—and it creates an essential limit on the actions governments may appropriately take with respect to the people they govern.

The right to life was initially proclaimed for this nation in the Declaration of Independence. The promise of the Declaration was to protect that right by instituting a new and democratic government in America. Today it is important that this nation assist the world community to protect the right to life internationally.

The Genocide Convention has been recommended by a succession of Presidents, with specific endorsement by the Departments of State, Defense and Justice. It also has the support of many of our distinguished citizens and organizations, including the American Bar Association.

I urge the Senate to give its advice and consent to the ratification of the Convention. Ratification would be a significant enhancement of the human rights commitments of this nation, demonstrating again to the world in concrete fashion our determination to advance and protect human rights.

JIMMY CARTER

The White House,

May 23, 1977.

NOTE: The text of the message was released on May 24.

Exotic Organisms

Executive Order 11987. May 24, 1977

By virtue of the authority vested in me by the Constitution and statutes of the United States of America, and as President of the United States of America, in furtherance of the purposes and policies of the Lacey Act (18 U.S.C. 42) and the National Environmental Policy Act of 1969, as amended (42 U.S.C. 4321 *et seq.*), it is hereby ordered as follows:

SECTION 1. As used in this Order:

(a) "United States" means all of the several States, the District of Columbia, the Commonwealth of Puerto Rico, American Samoa, the Virgin Islands, Guam, and the Trust Territory of the Pacific Islands.

(b) "Introduction" means the release, escape, or establishment of an exotic species into a natural ecosystem.

(c) "Exotic species" means all species of plants and animals not naturally occurring, either presently or historically, in any ecosystem of the United States.

(d) "Native species" means all species of plants and animals naturally occurring, either presently or historically, in any ecosystem of the United States.

SEC. 2. (a) Executive agencies shall, to the extent permitted by law, restrict the introduction of exotic species into the natural ecosystems on lands and waters which they own, lease, or hold for purposes of administration; and, shall encourage the States, local governments, and private citizens to prevent the introduction of exotic species into natural ecosystems of the United States.

(b) Executive agencies, to the extent they have been authorized by statute to restrict the importation of exotic species, shall restrict the introduction of exotic species into any natural ecosystem of the United States.

(c) Executive agencies shall, to the extent permitted by law, restrict the use of Federal funds, programs, or authorities used to export native species for the purpose of introducing such species into ecosystems outside the United States where they do not naturally occur.

(d) This Order does not apply to the introduction of any exotic species, or the export of any native species, if the Secretary of Agriculture or the Secretary of the Interior finds that such introduction or exportation will not have an adverse effect on natural ecosystems.

SEC. 3. The Secretary of the Interior, in consultation with the Secretary of Agriculture and the heads of other appropriate agencies, shall develop and implement, by rule or regulation, a system to standardize and simplify the requirements, procedures and other activities appropriate for implementing the provisions of this Order. The Secretary of the Interior shall ensure that such rules or regulations are in accord with the performance by other agencies of those functions vested by law, including this Order, in such agencies.

JIMMY CARTER

The White House,
May 24, 1977.

[Filed with the Office of the Federal Register,
1:41 p.m., May 24, 1977]

Floodplain Management

Executive Order 11988. May 24, 1977

By virtue of the authority vested in me by the Constitution and statutes of the United States of America, and as President of the United States of America, in furtherance of the National Environmental Policy Act of 1969, as amended (42 U.S.C. 4321 *et seq.*), the National Flood

Insurance Act of 1968, as amended (42 U.S.C. 4001 *et seq.*), and the Flood Disaster Protection Act of 1973 (Public Law 93-234, 87 Stat. 975), in order to avoid to the extent possible the long and short term adverse impacts associated with the occupancy and modification of floodplains and to avoid direct or indirect support of floodplain development wherever there is a practicable alternative, it is hereby ordered as follows:

SECTION 1. Each agency shall provide leadership and shall take action to reduce the risk of flood loss, to minimize the impact of floods on human safety, health and welfare, and to restore and preserve the natural and beneficial values served by floodplains in carrying out its responsibilities for (1) acquiring, managing, and disposing of Federal lands and facilities; (2) providing Federally undertaken, financed, or assisted construction and improvements; and (3) conducting Federal activities and programs affecting land use, including but not limited to water and related land resources planning, regulating, and licensing activities.

SEC. 2. In carrying out the activities described in Section 1 of this Order, each agency has a responsibility to evaluate the potential effects of any actions it may take in a floodplain; to ensure that its planning programs and budget requests reflect consideration of flood hazards and floodplain management; and to prescribe procedures to implement the policies and requirements of this Order, as follows:

(a) (1) Before taking an action, each agency shall determine whether the proposed action will occur in a floodplain—for major Federal actions significantly affecting the quality of the human environment, the evaluation required below will be included in any statement prepared under Section 102(2)(C) of the National Environmental Policy Act. This determination shall be made according to

a Department of Housing and Urban Development (HUD) floodplain map or a more detailed map of an area, if available. If such maps are not available, the agency shall make a determination of the location of the floodplain based on the best available information. The Water Resources Council shall issue guidance on this information not later than October 1, 1977.

(2) If an agency has determined to, or proposes to, conduct, support, or allow an action to be located in a floodplain, the agency shall consider alternatives to avoid adverse effects and incompatible development in the floodplains. If the head of the agency finds that the only practicable alternative consistent with the law and with the policy set forth in this Order requires siting in a floodplain, the agency shall, prior to taking action, (i) design or modify its action in order to minimize potential harm to or within the floodplain, consistent with regulations issued in accord with Section 2(d) of this Order, and (ii) prepare and circulate a notice containing an explanation of why the action is proposed to be located in the floodplain.

(3) For programs subject to the Office of Management and Budget Circular A-95, the agency shall send the notice, not to exceed three pages in length including a location map, to the state and areawide A-95 clearinghouses for the geographic areas affected. The notice shall include: (i) the reasons why the action is proposed to be located in a floodplain; (ii) a statement indicating whether the action conforms to applicable state or local floodplain protection standards and (iii) a list of the alternatives considered. Agencies shall endeavor to allow a brief comment period prior to taking any action.

(4) Each agency shall also provide opportunity for early public review of any plans or proposals for actions in floodplains, in accordance with Section 2(b) of

Executive Order No. 11514, as amended, including the development of procedures to accomplish this objective for Federal actions whose impact is not significant enough to require the preparation of an environmental impact statement under Section 102(2)(C) of the National Environmental Policy Act of 1969, as amended.

(b) Any requests for new authorizations or appropriations transmitted to the Office of Management and Budget shall indicate, if an action to be proposed will be located in a floodplain, whether the proposed action is in accord with this Order.

(c) Each agency shall take floodplain management into account when formulating or evaluating any water and land use plans and shall require land and water resources use appropriate to the degree of hazard involved. Agencies shall include adequate provision for the evaluation and consideration of flood hazards in the regulations and operating procedures for the licenses, permits, loan or grants-in-aid programs that they administer. Agencies shall also encourage and provide appropriate guidance to applicants to evaluate the effects of their proposals in floodplains prior to submitting applications for Federal licenses, permits, loans, or grants.

(d) As allowed by law, each agency shall issue or amend existing regulations and procedures within one year to comply with this Order. These procedures shall incorporate the Unified National Program for Floodplain Management of the Water Resources Council, and shall explain the means that the agency will employ to pursue the nonhazardous use of riverine, coastal and other floodplains in connection with the activities under its authority. To the extent possible, existing processes, such as those of the Council on Environmental Quality and the Water Resources Council, shall be utilized to fulfill the requirements of this Order. Agencies shall

prepare their procedures in consultation with the Water Resources Council, the Federal Insurance Administration, and the Council on Environmental Quality, and shall update such procedures as necessary.

SEC. 3. In addition to the requirements of Section 2, agencies with responsibilities for Federal real property and facilities shall take the following measures:

(a) The regulations and procedures established under Section 2(d) of this Order shall, at a minimum, require the construction of Federal structures and facilities to be in accordance with the standards and criteria and to be consistent with the intent of those promulgated under the National Flood Insurance Program. They shall deviate only to the extent that the standards of the Flood Insurance Program are demonstrably inappropriate for a given type of structure or facility.

(b) If, after compliance with the requirements of this Order, new construction of structures or facilities are to be located in a floodplain, accepted flood-proofing and other flood protection measures shall be applied to new construction or rehabilitation. To achieve flood protection, agencies shall, wherever practicable, elevate structures above the base flood level rather than filling in land.

(c) If property used by the general public has suffered flood damage or is located in an identified flood hazard area, the responsible agency shall provide on structures, and other places where appropriate, conspicuous delineation of past and probable flood height in order to enhance public awareness of and knowledge about flood hazards.

(d) When property in floodplains is proposed for lease, easement, right-of-way, or disposal to non-Federal public or private parties, the Federal agency shall (1) reference in the conveyance those uses that are restricted under identified Federal,

State, or local floodplain regulations; and (2) attach other appropriate restrictions to the uses of properties by the grantee or purchaser and any successors, except where prohibited by law; or (3) withhold such properties from conveyance.

SEC. 4. In addition to any responsibilities under this Order and Sections 202 and 205 of the Flood Disaster Protection Act of 1973, as amended (42 U.S.C. 4106 and 4128), agencies which guarantee, approve, regulate, or insure any financial transaction which is related to an area located in a floodplain shall, prior to completing action on such transaction, inform any private parties participating in the transaction of the hazards of locating structures in the floodplain.

SEC. 5. The head of each agency shall submit a report to the Council on Environmental Quality and to the Water Resources Council on June 30, 1978, regarding the status of their procedures and the impact of this Order on the agency's operations. Thereafter, the Water Resources Council shall periodically evaluate agency procedures and their effectiveness.

SEC. 6. As used in this Order:

(a) The term "agency" shall have the same meaning as the term "Executive agency" in Section 105 of Title 5 of the United States Code and shall include the military departments; the directives contained in this Order, however, are meant to apply only to those agencies which perform the activities described in Section 1 which are located in or affecting floodplains.

(b) The term "base flood" shall mean that flood which has a one percent or greater chance of occurrence in any given year.

(c) The term "floodplain" shall mean the lowland and relatively flat areas adjoining inland and coastal waters including floodprone areas of offshore islands,

including at a minimum, that area subject to a one percent or greater chance of flooding in any given year.

SEC. 7. Executive Order No. 11296 of August 10, 1966, is hereby revoked. All actions, procedures, and issuances taken under that Order and still in effect shall remain in effect until modified by appropriate authority under the terms of this Order.

SEC. 8. Nothing in this Order shall apply to assistance provided for emergency work essential to save lives and protect property and public health and safety, performed pursuant to Sections 305 and 306 of the Disaster Relief Act of 1974 (88 Stat. 148, 42 U.S.C. 5145 and 5146).

SEC. 9. To the extent the provisions of Section 2(a) of this Order are applicable to projects covered by Section 104(h) of the Housing and Community Development Act of 1974, as amended (88 Stat. 640, 42 U.S.C. 5304(h)), the responsibilities under those provisions may be assumed by the appropriate applicant, if the applicant has also assumed with respect to such projects, all of the responsibilities for environmental review, decisionmaking, and action pursuant to the National Environmental Policy Act of 1969, as amended.

JIMMY CARTER

The White House,
May 24, 1977.

[Filed with the Office of the Federal Register,
1:42 p.m., May 24, 1977]

Floodplain Management

Statement Accompanying Executive Order 11988. May 24, 1977

The floodplains which adjoin the Nation's inland and coastal waters have long been recognized as having special values to our citizens. They have provided us

with wildlife habitat, agricultural and forest products, stable ecosystems, and park and recreation areas. However, unwise use and development of our riverine, coastal, and other floodplains not only destroy many of the special qualities of these areas but pose a severe threat to human life, health, and property.

Since the adoption of a national flood control policy in 1936, the Federal Government has invested about \$10 billion in flood protection works. Despite substantial efforts by the Federal Government to reduce flood hazards and protect floodplains, annual losses from floods and adverse alteration of floodplains continue to increase.

The problem arises mainly from unwise land use practices. The Federal Government can be responsible for or can influence these practices in the construction of projects, in the management of its own properties, in the provision of financial or technical assistance including support of financial institutions, and in the uses for which its agencies issue licenses or permits. In addition to minimizing the danger to human and nonhuman communities living in floodplains, active floodplain management represents sound business practice by reducing the risk of flood damage to properties benefiting from Federal assistance.

Because unwise floodplain development can lead to the loss of human and other natural resources, it is simply a bad Federal investment and should be avoided. In order to avoid to the extent possible the long- and short-term adverse impacts associated with the occupancy and modification of floodplains and to avoid direct or indirect support of floodplain development wherever there is a practicable alternative, I have issued an Executive order on floodplain management.

Off-Road Vehicles on Public Lands

Executive Order 11989. May 24, 1977

By virtue of the authority vested in me by the Constitution and statutes of the United States of America, and as President of the United States of America, in order to clarify agency authority to define zones of use by off-road vehicles on public lands, in furtherance of the National Environmental Policy Act of 1969, as amended (42 U.S.C. 4321 *et seq.*), Executive Order No. 11644 of February 8, 1972, is hereby amended as follows:

SECTION 1. Clause (B) of Section 2(3) of Executive Order No. 11644, setting forth an exclusion from the definition of off-road vehicles, is amended to read "(B) any fire, military, emergency or law enforcement vehicle when used for emergency purposes, and any combat or combat support vehicle when used for national defense purposes, and".

SEC. 2. Add the following new Section to Executive Order No. 11644:

"Sec. 9. *Special Protection of the Public Lands.* (a) Notwithstanding the provisions of Section 3 of this Order, the respective agency head shall, whenever he determines that the use of off-road vehicles will cause or is causing considerable adverse effects on the soil, vegetation, wildlife, wildlife habitat or cultural or historic resources of particular areas or trails of the public lands, immediately close such areas or trails to the type of off-road vehicle causing such effects, until such time as he determines that such adverse effects have been eliminated and that measures have been implemented to prevent future recurrence.

"(b) Each respective agency head is authorized to adopt the policy that portions of the public lands within his jurisdiction shall be closed to use by off-road

vehicles except those areas or trails which are suitable and specifically designated as open to such use pursuant to Section 3 of this Order.”.

JIMMY CARTER

The White House,
May 24, 1977.

[Filed with the Office of the Federal Register,
1:43 p.m., May 24, 1977]

Protection of Wetlands

Executive Order 11990. May 24, 1977

By virtue of the authority vested in me by the Constitution and statutes of the United States of America, and as President of the United States of America, in furtherance of the National Environmental Policy Act of 1969, as amended (42 U.S.C. 4321 *et seq.*), in order to avoid to the extent possible the long and short term adverse impacts associated with the destruction or modification of wetlands and to avoid direct or indirect support of new construction in wetlands wherever there is a practicable alternative, it is hereby ordered as follows:

SECTION 1. (a) Each agency shall provide leadership and shall take action to minimize the destruction, loss or degradation of wetlands, and to preserve and enhance the natural and beneficial values of wetlands in carrying out the agency's responsibilities for (1) acquiring, managing, and disposing of Federal lands and facilities; and (2) providing Federally undertaken, financed, or assisted construction and improvements; and (3) conducting Federal activities and programs affecting land use, including but not limited to water and related land resources planning, regulating, and licensing activities.

(b) This Order does not apply to the issuance by Federal agencies of permits, licenses, or allocations to private parties for activities involving wetlands on non-Federal property.

SEC. 2. (a) In furtherance of Section 101(b)(3) of the National Environmental Policy Act of 1969 (42 U.S.C. 4331 (b)(3) to improve and coordinate Federal plans, functions, programs and resources to the end that the Nation may attain the widest range of beneficial uses of the environment without degradation and risk to health or safety, each agency, to the extent permitted by law, shall avoid undertaking or providing assistance for new construction located in wetlands unless the head of the agency finds (1) that there is no practicable alternative to such construction, and (2) that the proposed action includes all practicable measures to minimize harm to wetlands which may result from such use. In making this finding the head of the agency may take into account economic, environmental and other pertinent factors.

(b) Each agency shall also provide opportunity for early public review of any plans or proposals for new construction in wetlands, in accordance with Section 2 (b) of Executive Order No. 11514, as amended, including the development of procedures to accomplish this objective for Federal actions whose impact is not significant enough to require the preparation of an environmental impact statement under Section 102(2)(C) of the National Environmental Policy Act of 1969, as amended.

SEC. 3. Any requests for new authorizations or appropriations transmitted to the Office of Management and Budget shall indicate, if an action to be proposed will be located in wetlands, whether the proposed action is in accord with this Order.

SEC. 4. When Federally-owned wetlands or portions of wetlands are proposed

for lease, easement, right-of-way or disposal to non-Federal public or private parties, the Federal agency shall (a) reference in the conveyance those uses that are restricted under identified Federal, State or local wetlands regulations; and (b) attach other appropriate restrictions to the uses of properties by the grantee or purchaser and any successor, except where prohibited by law; or (c) withhold such properties from disposal.

SEC. 5. In carrying out the activities described in Section 1 of this Order, each agency shall consider factors relevant to a proposal's effect on the survival and quality of the wetlands. Among these factors are:

(a) public health, safety, and welfare, including water supply, quality, recharge and discharge; pollution; flood and storm hazards; and sediment and erosion;

(b) maintenance of natural systems, including conservation and long term productivity of existing flora and fauna, species and habitat diversity and stability, hydrologic utility, fish, wildlife, timber, and food and fiber resources; and

(c) other uses of wetlands in the public interest, including recreational, scientific, and cultural uses.

SEC. 6. As allowed by law, agencies shall issue or amend their existing procedures in order to comply with this Order. To the extent possible, existing processes, such as those of the Council on Environmental Quality and the Water Resources Council, shall be utilized to fulfill the requirements of this Order.

SEC. 7. As used in this Order:

(a) The term "agency" shall have the same meaning as the term "Executive agency" in Section 105 of Title 5 of the United States Code and shall include the military departments; the directives contained in this Order, however, are meant to apply only to those agencies which perform the activities described in Section 1

which are located in or affecting wetlands.

(b) The term "new construction" shall include draining, dredging, channelizing, filling, diking, impounding, and related activities and any structures or facilities begun or authorized after the effective date of this Order.

(c) The term "wetlands" means those areas that are inundated by surface or ground water with a frequency sufficient to support and under normal circumstances does or would support a prevalence of vegetative or aquatic life that requires saturated or seasonally saturated soil conditions for growth and reproduction. Wetlands generally include swamps, marshes, bogs, and similar areas such as sloughs, potholes, wet meadows, river overflows, mud flats, and natural ponds.

SEC. 8. This Order does not apply to projects presently under construction, or to projects for which all of the funds have been appropriated through Fiscal Year 1977, or to projects and programs for which a draft or final environmental impact statement will be filed prior to October 1, 1977. The provisions of Section 2 of this Order shall be implemented by each agency not later than October 1, 1977.

SEC. 9. Nothing in this Order shall apply to assistance provided for emergency work, essential to save lives and protect property and public health and safety, performed pursuant to Sections 305 and 306 of the Disaster Relief Act of 1974 (88 Stat. 148, 42 U.S.C. 5145 and 5146).

SEC. 10. To the extent the provisions of Sections 2 and 5 of this Order are applicable to projects covered by Section 104(h) of the Housing and Community Development Act of 1974, as amended (88 Stat. 640, 42 U.S.C. 5304(h)), the responsibilities under those provisions may be assumed by the appropriate applicant, if the applicant has also assumed,

with respect to such projects, all of the responsibilities for environmental review, decisionmaking, and action pursuant to the National Environmental Policy Act of 1969, as amended.

JIMMY CARTER

The White House,
May 24, 1977.

[Filed with the Office of the Federal Register,
1:44 p.m., May 24, 1977]

Protection of Wetlands

*Statement Accompanying Executive
Order 11990. May 24, 1977*

The Nation's coastal and inland wetlands are vital natural resources of critical importance to the people of this country. Wetlands are areas of great natural productivity, hydrological utility, and environmental diversity, providing natural flood control, improved water quality, recharge of aquifers, flow stabilization of streams and rivers, and habitat for fish and wildlife resources. Wetlands contribute to the production of agricultural products and timber, and provide recreational, scientific, and aesthetic resources of national interest.

The unwise use and development of wetlands will destroy many of their special qualities and important natural functions. Recent estimates indicate that the United States has already lost over 40 percent of our 120 million acres of wetlands inventoried in the 1950's. This piecemeal alteration and destruction of wetlands through draining, dredging, filling, and other means has had an adverse cumulative impact on our natural resources and on the quality of human life.

The problem of loss of wetlands arises mainly from unwise land use practices. The Federal Government can be responsible for or can influence these practices

in the construction of projects, in the management of its own properties, and in the provisions of financial or technical assistance.

In order to avoid to the extent possible the long and short term adverse impacts associated with the destruction or modification of wetlands and to avoid direct or indirect support of new construction in wetlands wherever there is a practicable alternative, I have issued an Executive order on the protection of wetlands.

Environmental Impact Statements

Executive Order 11991. May 24, 1977

RELATING TO PROTECTION AND ENHANCEMENT OF ENVIRONMENTAL QUALITY

By virtue of the authority vested in me by the Constitution and statutes of the United States of America, and as President of the United States of America, in furtherance of the purpose and policy of the National Environmental Policy Act of 1969, as amended (42 U.S.C. 4321 *et seq.*), the Environmental Quality Improvement Act of 1970 (42 U.S.C. 4371 *et seq.*), and Section 309 of the Clean Air Act, as amended (42 U.S.C. 1857h-7), it is hereby ordered as follows:

SECTION 1. Subsection (h) of Section 3 (relating to responsibilities of the Council on Environmental Quality) of Executive Order No. 11514, as amended, is revised to read as follows:

"(h) Issue regulations to Federal agencies for the implementation of the procedural provisions of the Act (42 U.S.C. 4332(2)). Such regulations shall be developed after consultation with affected agencies and after such public hearings as may be appropriate. They will be designed to make the environmental impact state-

ment process more useful to decisionmakers and the public; and to reduce paperwork and the accumulation of extraneous background data, in order to emphasize the need to focus on real environmental issues and alternatives. They will require impact statements to be concise, clear, and to the point, and supported by evidence that agencies have made the necessary environmental analyses. The Council shall include in its regulations procedures (1) for the early preparation of environmental impact statements, and (2) for the referral to the Council of conflicts between agencies concerning the implementation of the National Environmental Policy Act of 1969, as amended, and Section 309 of the Clean Air Act, as amended, for the Council's recommendation as to their prompt resolution."

SEC. 2. The following new subsection is added to Section 2 (relating to responsibilities of Federal agencies) of Executive Order No. 11514, as amended:

"(g) In carrying out their responsibilities under the Act and this Order, comply with the regulations issued by the Council except where such compliance would be inconsistent with statutory requirements."

JIMMY CARTER

The White House,
May 24, 1977.

[Filed with the Office of the Federal Register,
1:45 p.m., May 24, 1977]

Visit of Crown Prince Fahd of Saudi Arabia

*Toasts of the President and the Crown Prince
at a Dinner Honoring His Royal
Highness. May 24, 1977*

THE PRESIDENT. I've said several times since I've been President of our country

that I don't believe there is any other nation with whom we've had better friendship and a deeper sense of cooperation than we've found in Saudi Arabia.

There have been many times unpublished when we saw a particular need or a particular problem, either in our own country or around the world, and as soon as this need became known by the leaders of that great country, the need has been met in a quiet but very effective and friendly way.

We've shared a friendship for many years. In 1945, for instance, Franklin Roosevelt met with the father of Crown Prince Fahd near the Suez Canal and began a longstanding conversation and mutual commitment toward peace that has stood our nations in good stead since that time.

Three years ago, Crown Prince Fahd came to our country to resubmit his own interest in us and to begin a new approach to peace, particularly in the Middle East.

We have had today some very productive discussions with Crown Prince Fahd and the other great leaders of Saudi Arabia, about the Middle East. We told them that our deep commitment was to the security and peaceful existence of Israel, and they understand this very well. And we emphasized the importance of a fair and permanent peace in the Middle East.

In both these commitments, the Saudi Arabians share our purpose. As we look at this extremely valuable and important crossroads of the whole world in this modern day, there is an increasing realization that peace in that region means to a great degree a possibility of peace throughout the world.

We have seen in clear terms in months gone by the importance of forming a joint economic commission between the United States and Saudi Arabia. The late

King Faisal and now King Khalid have strengthened this cooperation between our country and theirs.

Tomorrow, Prince Saud will go to Fairfax County, in Virginia, for instance, to dedicate a solar heating project which has been sponsored by Saudi Arabia. From the memorial fund dedicated to King Faisal, they have also been gracious enough to give two very fine gifts to my alma mater, Georgia Tech.

These projects also involve solar energy, and many of the distinguished leaders from Saudi Arabia tonight wished us well in establishing for our country a comprehensive energy policy based on conservation, which we proposed to the Congress. When Senator Humphrey and Senator Percy and others formed the Alliance for Conservation of Energy in our Nation to save the consumption of oil, the Saudi Arabians came forward and offered to help us with a major part of the financing of this effort. Although their generosity was not accepted in this instance, it shows their deep commitment to reducing the waste of oil around the world.

Saudi Arabia is a nation which has grown in many ways in the last few years in world importance. Their supplies of energy are crucial to the well-being of people in many nations. They produce their own oil for world consumption beyond the level which perhaps would be best for them.

The wealth that has flowed to Saudi Arabia from these sales has been invested around the world in a very responsible and productive and constructive way. This responsible and unselfish action has saved the entire economic structure of the world from disruption and has alleviated the fears that did exist when the price of oil was raised in 1973.

Saudi Arabia has about \$60 billion invested in our own country, and they are

one of our largest customers since we sell them about \$3½ billion worth of United States-produced goods each year. This trade relationship is very important, and it helps to tie us together in dealing with political problems which we face in a mutual way.

I think it is accurate to say that the future of Saudi Arabia and the future of the United States are tied together very closely in an irrevocable way. It is very valuable to us to understand and to preserve and to strengthen this important friendship.

The visit of Crown Prince Fahd to us is another demonstration of the mutual interest that we share. We are proud to have him here. And on behalf of the American people, I would like to propose a toast to King Khalid, to the Royal Family, and to the great people of Saudi Arabia, our friends.

THE CROWN PRINCE. *Mr. President, your excellencies, and friends:*

It gives me a great pleasure and pride to meet with you this evening. I am also delighted and honored to convey to you, Mr. President, and to the friendly American people, through you, the warm greetings of His Majesty King Khalid Ibn Abdulaziz and the esteem of the Saudi Arabian people.

By conveying these genuine feelings, I can clearly see the historical facts and the propitious events reinforcing the strong links between our two friendly nations. Both the United States of America and the Kingdom of Saudi Arabia follow a free economic system that seeks the well-being of man, not only in their respective countries but also in the world at large.

Both nations believe in individual freedom, necessary for the well-being of man and for justice. Both countries believe in working towards securing a better life for man in every part of the world.

Mr. President, you expressed your belief that international relations should be based on the solid ground of morality, high ideals, and genuine respect for human rights. Sharing your belief, Mr. President, that any policy defying these values and standards is doomed to failure, we hope that this humane conviction on your part will contribute to bringing about a new era in international relations where supremacy will be for right and not for might, for justice and not for oppression.

Your sympathetic attitude towards the Third World's search for a future without hunger, poverty, or backwardness means that we can look forward toward a future full of understanding and cooperation between the industrial nations and the developing nations, between the energy-producing nations and the energy-consuming nations, in order to build an international community free of discrimination, injustice, or exploitation.

Mr. President, what concerns us most in the Kingdom of Saudi Arabia and the Arab world in general is to achieve our goals in the areas of development, well-being, and stability. We are concerned with using our own resources and investing them in programs that will enable us to catch up with progress and technology, to shake off the burdens of backwardness and their inherent ills, which infest man's best values and turn him against everything that is good and noble.

The greatest hindrance to achieving this creative, enriching goal is the problem of instability in the Middle East area whose core is the Palestine issue with all its ramifications—this issue, which for more than a quarter of a century has been pleading, has been crying out for free human consciousness hoping to find one with a just and clear vision, to say a word of justice that will restore the situation

and return a displaced people to its homeland.

I hope that our discussions here with you, Mr. President, will enhance the peace prospects and clarify the justice of Arab demands. Looking at the developments in the Palestinian issue during the last few months I find it a pleasant task to express my appreciation to the friendly people of the United States of America and my thanks to you, Mr. President, for the realistic view and the increasing understanding of the Palestinian issue.

I believe that this view will give the issue the needed thrust to achieve just peace and permanent stability in the Middle East, where the energy of its peoples might then be devoted to their development and betterment.

We in the Kingdom of Saudi Arabia look with optimism to what can be attained through the increased relations between our two nations for our mutual benefit, to what can be coveted through your support and that of the friendly American people for a just solution to the Palestinian issue and its people who suffered displacement, destitution, and expulsion from their homeland, Mr. President.

Mr. President, Excellencies, and friends, please permit me to express my true appreciation and gratitude for your kind reception and genuine warm feelings and to convey the same to the friendly American people from the people of the Kingdom of Saudi Arabia.

I thank you very much, Mr. President, and if you will permit me, I would like to propose a toast in the name of King Khalid and ourselves to the President of the United States of America.

President Carter.

NOTE: The President spoke at 8:45 p.m. in the State Dining Room at the White House.

Crown Prince Fahd spoke in Arabic, and his remarks were translated by an interpreter.

Committee on Selection of Federal Judicial Officers

Executive Order 11992. May 24, 1977

ESTABLISHING THE COMMITTEE ON SELECTION OF FEDERAL JUDICIAL OFFICERS

By virtue of the authority vested in me by the Constitution and statutes of the United States of America, and as President of the United States of America, in accordance with the provisions of the Federal Advisory Committee Act (5 U.S.C. App. I), it is hereby ordered as follows:

SECTION 1. *Establishment of the Committee.* There is hereby established the Committee on Selection of Federal Judicial Officers, hereinafter referred to as the Committee. The Committee shall consist of a Chairman and six other members to be appointed by the President.

SEC. 2. *Functions.* When requested by the President, the Committee shall conduct inquiries to identify persons who may be qualified to serve as Federal judicial officers, other than United States Circuit Judges or District Judges, and shall conduct investigations of those persons to determine their qualifications.

SEC. 3. *Procedures; Report.* (a) When notified by the President that he desires its assistance in filling a Federal judicial vacancy, other than a United States Circuit Court or District Court vacancy, the Committee shall conduct inquiries to identify persons who may be qualified to serve in the position and shall conduct further inquiries to determine those persons' qualifications.

(b) In conducting its inquiries the Committee shall follow any procedures

established by the President in his letter of notification or by the Attorney General acting on behalf of the President.

(c) The Committee shall submit to the President and to the Attorney General, within 60 days from the date it is notified by the President that he desires its assistance, a report listing the names of no more than five persons whom the Committee considers well qualified to serve in the position. In determining which persons are well qualified the Committee shall apply criteria established by the President or by the Attorney General acting on behalf of the President.

(d) The Committee shall conduct such additional inquiries and submit such additional reports as may be requested by the President.

(e) The Committee shall perform no function except when requested by the President to assist him in filling a vacancy.

SEC. 4. *Ineligibility of Committee Members.* No member of the Committee shall be eligible to be nominated to fill a position as a Federal judicial officer with respect to which the Committee's assistance has been requested.

SEC. 5. *Cooperation by Executive Agencies.* The Committee is authorized to request, through its Chairman, from any Executive department or agency such information or assistance as the Committee deems necessary to carry out its functions under this Order. Each department or agency shall, to the extent permitted by law, furnish such information or assistance to the Committee. The Committee also is authorized to request from any State agency such information and assistance as the Committee deems necessary, and to obtain such information and assistance to the extent permitted by State law.

SEC. 6. *Travel Expenses; Administrative Support; Financing.* (a) Members of the Committee shall serve without com-

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pensation. While engaged in the work of the Committee, members may receive travel expenses, including per diem in lieu of subsistence, as authorized by law (5 U.S.C. 5702 and 5703).

(b) The Attorney General shall furnish to the Committee necessary staff, supplies, facilities and other administrative services.

(c) All necessary expenses incurred in connection with the work of the Committee, to the extent permitted by law, shall be paid from funds available to the Attorney General.

SEC. 7. Federal Advisory Committee Act Functions. Notwithstanding the provisions of any other Executive order, the functions of the President under the Federal Advisory Committee Act (5 U.S.C. App. I), except that of reporting annually to the Congress, which are applicable to the Committee, shall be performed by the Attorney General in accordance with the guidelines and procedures established by the Office of Management and Budget.

SEC. 8. Termination of the Committee. The Committee shall terminate on December 31, 1978, unless sooner extended.

JIMMY CARTER

The White House,
May 24, 1977.

[Filed with the Office of the Federal Register,
12:02 p.m., May 25, 1977]

NOTE: The Executive order was not issued in the form of a White House press release.

United States Circuit Judge Nominating Commission

Executive Order 11993. May 24, 1977

RELATING TO THE UNITED STATES CIRCUIT JUDGE NOMINATING COMMISSION

By virtue of the authority vested in me by the Constitution and statutes of the

United States of America, and as President of the United States of America, Section 3 of Executive Order No. 11972 of February 14, 1977, is amended by redesignating the present text as subsection (a), redesignating the present lettered subsections as numbered paragraphs (1), (2), (3), and (4), and by adding the following new subsection (b):

“(b) The Panel for the District of Columbia Circuit shall have the additional function of recommending nominees for the United States District Court for the District of Columbia, in accordance with the standards and procedures prescribed by this order for recommending nominees for circuit judges.”.

JIMMY CARTER

The White House,
May 24, 1977.

[Filed with the Office of the Federal Register,
12:03 p.m., May 25, 1977]

NOTE: The Executive order was not issued in the form of a White House press release.

Visit of Crown Prince Fahd of Saudi Arabia

*Remarks to Reporters on the Crown Prince's
Departure. May 25, 1977*

THE PRESIDENT. We have enjoyed having you. Thank you again. Good luck to you. You have been very helpful to us.

Q. Mr. President, can you tell us anything about this visit?

THE PRESIDENT. Well, it was a very fruitful discussion. At the Crown Prince's suggestion, we divided up into groups this morning for a very deep discussion of some of the major issues that bind us together. The Crown Prince and I were alone, and then Secretary Vance had a

chance to meet with Prince Saud, who is a foreign minister. And I think that was a much more productive arrangement than we've had in the past.

Q. [*Inaudible*]

THE PRESIDENT. But we discussed a wide range of issues, including future oil pricing prospects and the interrelationships between the OPEC nations and the countries in Africa. We discussed the Horn of Africa and how to keep the Red Sea region peaceful. We discussed the hopes or possibilities for a Middle Eastern peace settlement this year. We had a long discussion about our own involvement in this process.

I think that we understand each other very well. And so far as I know, between ourselves and Saudi Arabia there are no disturbing differences at all. So, I think that I have benefited greatly from those meetings.

The Crown Prince will now meet with the Senate Committees on Energy and Foreign Relations and also with the House Committees. And I think that his total visit here has been one that's very productive.

Q. What did you agree on on oil prices?

Q. What did he say about the oil prices?

THE PRESIDENT. I would have to let him make comments on that.

Q. [*Inaudible*]

THE PRESIDENT. Just pleasure at the progress that has been made there within the last 12 months.

Q. Was there ever any mention of the threatened embargo which we heard about last weekend?

THE PRESIDENT. No, there's no threatened embargo at all. He said that was a completely false report.

Q. What did he ask you to say to Israel?

THE PRESIDENT. Just to continue a search for peace and keep the process

alive to make sure that no one closes the door for a settlement that would provide a just and lasting peace. He also expressed his strong hope that Israel would be reassured about the inclinations of his country towards the protection of their security. These were the comments that he made concerning—about his view—

Q. Do you feel he expects you to pressure Israel in any way?

THE PRESIDENT. I think not. I think it's obvious that we have some influence in Israel and also the Arab countries. But we also, obviously, have no control over—

Q. Do you think that Begin would close the door?

THE PRESIDENT. I think he shares my views that it's too early to comment on the future policies of the new government. No one knows the composition of it yet. And I think it would be premature to comment.

Q. In your public statements so far you haven't mentioned the 1977 Geneva conference possibilities or a Palestinian homeland.

Q. He mentioned it yesterday at the hand-out.

Q. Not publicly.

Q. That's a public hand-out. It was placed right in your hand.

Q. Are you going to visit us in the Middle East, Mr. President, this year?

THE PRESIDENT. Well, some day, I hope. I'm not much on foreign travel. I don't know.

Q. After each one of these meetings you usually think you are more optimistic or less. What is your impression now?

THE PRESIDENT. Well, it's hard to tell. I think a lot of the uncertainty there is involved in the recent election results in Israel. There's no way to predict what the formation of the government might be

yet or what their policies might be after they are ultimately evolved.

So, that is not encouraging or discouraging. But it's much more difficult to predict at this point.

Q. Could you tell us how your views have evolved on the Palestinian homeland as a entire state or as part of the Jordanian state?

THE PRESIDENT. No, my views are not firmed on what the composition of the Palestinian homeland might be. But all of the United Nations resolutions have contemplated a homeland for the Palestinians. And this is obviously something that will have to be accommodated.

REPORTER. Thank you.

NOTE: The President spoke at 11:30 a.m. on the South Grounds of the White House.

Advisory Committee Review

Memorandums to Heads of Executive Departments and Agencies. May 24, 1977

Memorandum for the Heads of Executive Departments and Agencies

Subject: Advisory Committee Review

Your recommendations for the continuation or termination of advisory committees, in response to my directive of February 25, 1977, have been received and are being reviewed by the Office of Management and Budget.

I believe *more can be done*, and I have asked OMB staff to carefully review your recommendations. When that review is complete later in May, senior OMB staff will meet with your Departments and

agencies for a critical zero-based analysis of committees you wish to continue. However, I urge you not to wait for those sessions to rethink the need for your committees. OMB would be happy to receive further recommendations for committee terminations during their review.

JIMMY CARTER

Memorandum for the Director, Office of Management and Budget, Chairman, Council on Environmental Quality, Chairman, Council on International Economic Policy, President, Export-Import Bank of the United States

Subject: Advisory Committee Review

Your recommendations for the continuation or termination of advisory committees, in response to my directive of February 25, 1977, have been received and are being reviewed by the Office of Management and Budget.

I am pleased that you have recommended the termination of all committees advising your Departments and agencies. You have made an important contribution to our effort to improve the organization and effectiveness of government. Efforts such as yours, and our continued attention to the establishment and continuation of committees, will make it a success.

JIMMY CARTER

NOTE: The texts of the memorandums were released on May 25.

Included in the White House press release was a breakdown of recommendations from Cabinet departments for numbers of committees to be eliminated, which read as follows:

AGENCY RECOMMENDATIONS FOR TERMINATION AND CONTINUATION OF ADVISORY COMMITTEES—CABINET DEPARTMENTS

	Number of committees			Percent terminated
	Reviewed	Terminated	Continued	
Agriculture.....	110	89	21	81
Commerce.....	91	6	85	7
Defense.....	63	13	50	21
Health, Education and Welfare.....	352	91	261	26
Housing and Urban Development.....	2	1	1	50
Interior.....	49	7	¹ 36	14
Justice.....	10	3	7	30
Labor.....	25	3	22	12
State.....	39	22	17	56
Transportation.....	30	16	14	53
Treasury.....	27	16	² 8	59
Subtotal, Cabinet.....	798	267	522	34

¹ No recommendation on 6 committees which are pending transfer to Labor or the new energy agency. Last year the Interior Department ended 68 committees on their own initiative.

² 3 committees still under review.

Democratic Congressional Dinner

*Remarks at the 14th Annual Dinner.
May 25, 1977*

I was really enjoying that speech that Tip was making.

I am disappointed about one thing. I was looking forward to having a chance to dance in the open space.

When I got here Lee Kling and Chuck Minot, Glen Watts apologized for having filled up all of these tables and raising \$1,200,000 for next year's campaign.

I know, of course, that that's a great tribute to them and to the fine work that they have done, along with Wendell Ford and Jim Corman, Speaker Bob Byrd. I felt better about being on the program tonight after I heard that they had cheap musicians before me.

I have kind of had a busy day today meeting with Crown Prince Fahd from Saudi Arabia. I was telling him about the

difficulties that I have with the Government, being new in it—the debates and the arguments with Congress on occasion. He said if I thought I had trouble, how did I think it would be if all of you were relatives of mine, as they are in Saudi Arabia. [*Laughter*]

When he said that, I had the strangest feeling just realizing that if I was in Saudi Arabia, my brother Billy would be Crown Prince. [*Laughter*]

Billy kind of has difficulty understanding what goes on up here in Washington. He cannot understand how the Members of Congress can possibly disagree publicly with the President. After last Saturday afternoon, he called me up and said he had a solution to the whole problem. I said, "Billy, what is it?" He said, "I suggest that you commission all the Members of Congress major generals in the Army." [*Laughter*] Well, I told Billy I wasn't sure that worked.

I have enjoyed being President so far—*[laughter]*—I tried to say that without laughing myself.

We started out sharing the same responsibilities together, and my first action was to nominate people to the Congress for confirmation. As you know, I didn't have complete and immediate success.

I did go to England the other day, though, and I went to the northern part of England, to Newcastle and had tens of thousands of people line the highways and cheer me as I went by; a true demonstration, I think, of the British affection and friendship and respect for our country. It was a very moving experience.

I recognize that my influence in Great Britain might be even greater than it is in Washington. So, Sunday morning I went to early church service at Westminster Cathedral, and I nominated Dylan Thomas for entry into the Poets Hall of Fame. I felt sure that they would take action at the next meeting. As a matter of fact, the Bishop there assured me they were going to do so. I didn't find out until I got back home that the next confirmation meeting is in 1989. *[Laughter]*

There are farmers on both sides of the ocean. As a matter of fact, I didn't wear a tuxedo tonight. I'm wearing a suit that I've acquired in my role as President. There are some perquisites to the office. My good friend, the Prime Minister of England, had a suit made and had his initials on the suit. And he cast about to find out what to do with some of the leftover cloth. His name is Jim Callaghan, and I was the only head of state who qualified. *[Laughter]* I told him I couldn't accept gifts, so I agreed to pay him \$5 for the cloth. And I sent it down to Georgia to have a suit made out of it. They charged me \$73.50 to make the suit. Then I found out when I got it back, got the suit back, the protocol officer said that I couldn't take this suit when I left the

White House. So, I've been trying to wear it as often as I could. *[Laughter]*

I don't know what's going to happen if I don't wear it out before my term expires. I kind of hate to try to get the U.S. Constitution changed to require that a President be 35 years old, a United States citizen, and wear a 39-regular coat. *[Laughter]*

These affairs of state that I've just described to you illustrate the problems that face a President. And I was hoping that you would feel a little more sympathy for me than you have exhibited so far. *[Laughter]*

I would like to say, seriously, that I have appreciated the fine support that the Members of Congress have given me, and the fine advice that you've given me, and the very frank criticism that you've never been reluctant about putting forward.

This creates, I think, a good way for a President to learn. My daughter and I went to the supper table tonight—this is a true story. She was teaching me about the War Between the States, and it was a completely new subject. I didn't recognize any of the people she was referring to as heroes. *[Laughter]* She goes to the Thaddeus Stevens School.

I think that this whole experience of mine in Washington has been one of great exhilaration and challenge and learning and commitment and friendship, and to be perfectly honest with you, a realization of partnership.

The success of this banquet, I think, illustrates vividly not only the qualities of the people who were responsible for it but a sense among the American people that we have a government that is worthy of support. And we have a government that can work together on major problems that face our people and that we have a future that inspires confidence.

I've embarked very rapidly on sending to the Congress legislation that fulfills the

commitments that I made to the American people during the 2 years of the campaign. As Tip has pointed out often, in the first 100 or 120 years of my—days—[laughter]—of my administration, the Congress has responded well. You've authorized reorganization. You've made major strides forward in restimulating our economy. Our unemployment rate has already dropped one full percentage point. The GNP is now growing. I think we have a sense of confidence among consumers and business in the economic future of our country. We still have a long way to go. We have to bring order out of chaos and some of the longstanding needs, to evolve a comprehensive and effective energy policy. And the people of the country expect us to do it.

It's a difficult proposition. As I've told many small groups, I can understand why previous Presidents were reluctant to engage themselves in trying to put forward such a proposal. We are now trying to restore credibility and integrity to the social security system. A failure to do this would disillusion many people in our country. There are not any easy answers to this problem.

Later this year we'll have welfare reform to study, and I hope to pass, at least early next year. And we'll have tax reform to face.

These kinds of long-range needs and longstanding needs affect us all together. We'll face the voters next year in November of 1978. And the best campaign that could possibly be devised has already begun; to go to the American people with a simple message: These were the problems that we faced last year and this year. This is the action that we have taken.

I doubt if anyone has ever campaigned in more places or more days or made more speeches, listened to more questions, than I did when I ran for President. And there

is a yearning among the people in this country to see some harmony, some cooperation, some partnership, some mutual commitment, some mutual trust, and absence of division among the leaders of our Government. And I think the more we consult with one another and the more we respect one another, the closer we'll come to achieving that long-time frustrated hope of the American people.

The Democrats have suffered on occasion in the past, quite often because we've not had an easy opportunity for working people to get registered to vote. I had Wendell Ford's job in 1974. And after I won the nomination last summer, I worked with the Democratic National Committee, and the major part of our effort, our expenditure of funds, was devoted not to getting registered voters to vote for Democrats but to get unregistered citizens a chance to qualify to vote. This is what we need.

I come from the South, and I have seen the long, slow struggle of black people to overcome the artificial obstacles that are created by those who are powerful against those who are bound up in a laboring job 40 hours a week and can't find a registration office open and can't register to meet the deadlines and the technicalities and the redtape that keeps people from exercising their American citizenship.

And a good voter registration law which makes it easy will not only help us Democrats, it will help the whole country. And I hope we can work it out together this year.

Another thing that bothers voters is a sense that some of the regulatory agencies don't protect the consumers. And I'm very determined that we should not have an increase in the bureaucracy in government. But I would like to see a simple agency effected to protect consumer rights.

Another thing that bothers the voters is an unwarranted reputation among Democrats that we are fiscally irresponsible, that we spend money that's not needed, that we can't balance the budget even in times of a healthy economy. Well, I want to work with you in a give-and-take, equal position to help correct these problems that we might face in 1978.

I've had remarkable success in forming personal friendships with Tip O'Neill and Jim Wright, with Bob Byrd and Alan Cranston, with the chairmen of the committees and with the Members of Congress.

I think the American people now sense that our country stands for things that are decent and honest and upright; that we have once again become a beacon light for peace and for hope, for disarmament, for human rights; that we stand for what was envisioned by the great leaders who 200 years ago risked their lives to spell out a unique dream in the world; that America stands for something clean and worthy of protection, yes; of pride, yes; but of trust and emulation.

And I want our country and our Government to be worthy of the trust and admiration of the rest of the world. These are the kind of things that our Democratic Party has stood for.

These are the kind of things that our country and our party have stood for. And I think this is a great forward step in doing the American people a great favor in November of 1978 by returning all you Members of Congress to offer to work with me again the next 2 years just as well as you have and are working with me these 2 years.

Thank you very much. We're in it together.

NOTE: The President spoke at 10 p.m. in the International Ballroom at the Washington Hilton Hotel.

THE PRESIDENT'S NEWS CONFERENCE OF MAY 26, 1977

THE PRESIDENT. I have a brief statement to make and then I'll respond to questions.

RELATIONS WITH CONGRESS

I think that in this first 4 months the cooperation between the Congress and the President has been very good. We have had a productive session so far. We have, however, one potential problem that is evolving that causes me some concern.

There is a high degree of fiscal budget deficit that has been a problem for many years. Since 1974 we have had \$184 billion of Federal deficits. And the prospective deficit for fiscal year 1978, starting next September, is about \$60 billion. I feel very strongly—and I expressed my belief on many occasions during the 2-year campaign for President and since I have been in office—that in a normal economy, with high employment, that the budget ought to be balanced.

I am committed to that proposition, and we are working to create both those elements, a strong economy, high employment, working toward a balanced budget.

The main concern at this point on the economic scene is the rate of inflation which is tied directly to the degree of responsibility of the Federal Government in handling excessive spending. There are now several matters before Congress which I hope very sincerely to work out with them that put excessive pressures on the ability to finance needed programs in the future—welfare reform, tax reform, including substantial reductions, adequate health care, defense needs—and these we are discussing very thoroughly and constantly with congressional leaders.

The farm bill, as passed by the Senate, has a very high cost, much greater than I think is necessary, much greater than the House has passed. Expenditures conceived for water projects amount to about \$3½ billion more in total cost than I have advocated.

The House has tentatively approved the Appropriations Committee adding about a dozen other projects with a total cost of almost a half billion dollars.

We advocated, as have all the Presidents since Eisenhower, the elimination of impact aid for very wealthy communities where military installations exist, \$3½ million [billion].

The Congress so far has decided not to eliminate this very costly project. I say this not in criticism of the Congress, because no decision has yet been made, but to point out to the American people a potential problem. I respect the Congress and I will work day and night to reach an agreeable solution to these potential threats to harmony. But I have to reserve the right and the duty to say no when spending is excessive.

Mr. Cormier [Frank Cormier, Associated Press].

QUESTIONS

SALT TALKS

Q. Mr. President, can you tell us where you would like to go from here on SALT with particular reference to cruise and Backfire, and how do you assess the upbeat words we got from Secretary Vance in Geneva and the downbeat words we got from Foreign Minister Gromyko on the same?

THE PRESIDENT. Compared to the Moscow meeting, the Geneva meeting was very upbeat. There was a great deal of harmony there. There was a sincere effort on the part of the Soviets and our-

selves to explore conflicting positions and to seek for some framework on which we could agree.

There are three basic elements, I think, of a SALT II agreement. One is an agreement that would last through 1985, ratifying in effect those elements from Vladivostok on which agreement was reached without dispute, and hopefully encompassing significant reductions below the Vladivostok levels.

Second would be a protocol, in addition to the basic agreement, that would last for a briefer period of time, 2 or 3 years, in which temporary solutions to the controversial issues might be included, giving us more bargaining time. This would include the very heavy missiles of the Soviets which caused us great concern. It would include some constraints on the cruise missiles. And the overall agreement would also include some constraints on the Backfire bomber.

And the third element of the agreement which we hope to achieve, would be a mutual commitment in writing to pursue the drastic substantial reductions which we advocated as an alternative in Moscow, leading toward a much more comprehensive, much more effective, much more needed SALT III agreement.

So, I think there are substantial remaining differences between ourselves and the Soviet Union. No firm proposals were put forward on either side. It was an exploratory meeting. But the tenor of the meeting, the obvious attitude of the Soviets toward being willing to assess our positions and to modify their own, I think was reciprocated by us, and in that way it was an upbeat meeting as described by Secretary Vance.

When you emphasize the differences that still remain, however, there is cause for some concern.

MAJOR GENERAL SINGLAUB

Q. Why did you fire General Singlaub?¹ He claims that the officers there have never been given a rationale on withdrawal. And have you had any soundings from North Korea as to the possibility of improving relations?

THE PRESIDENT. Well, in the first place, General Singlaub was not fired. General Singlaub was informed that he was not being fired; he was not being chastised or punished. He was being transferred to a new position at an equivalent degree of responsibility and stature.

We have, however, considered very carefully the question of our troops to be withdrawn from South Korea, the Republic of Korea, ground troops. This is a matter that has been considered by our Government for years. We have been in South Korea now more than 25 years. There has never been a policy of our Government evolved for permanent placement of ground troops in South Korea.

In 1970 and 1971, a full division of troops was withdrawn. Many leaders in our country and in the Republic of Korea have advocated complete removal of ground troops from Korea.

Melvin Laird, the former Republican Secretary of Defense, is one of those. President Park himself, the President of the Republic of Korea, has called for the removal completely of American troops.

The essence of the question is, is our country committed on a permanent basis to keep troops in South Korea even if they are not needed to maintain the stability of that peninsula? I think it is accurate to say that the time has come for a very careful, very orderly withdrawal over a period of 4 or 5 years of ground troops, leaving

intact an adequate degree of strength in the Republic of Korea to withstand any foreseeable attack and making it clear to the North Koreans, the Chinese, the Soviets, that our commitment to South Korea is undeviating and is staunch.

We will leave there adequate intelligence forces, observation forces, air forces, naval forces, and a firm, open commitment to our defense treaty, so there need not be any doubt about potential adversaries concerning our support of South Korea.

I think it is accurate to point out that overall strategic considerations have changed since the 1940's and early 1950's, when the Korean question came into most prominence in the international scene. The relationship between the Soviet Union and us, the People's Republic of China and us, and the relationship between the People's Republic and the Soviet Union have all changed, among other things.

South Korea, because of their own incentive and deep dedication to progress, now has one of the most strong economies in the world. Their growth rate last year in real terms was 15 percent. They have massive, very healthy industry—in steel, shipbuilding, electronics, chemical industries—to make it possible for them to grow into a position of defending themselves.

We have also a complete confidence in the deep purpose of the South Koreans to defend their own country. Compared to the North Koreans, they have a two-to-one advantage in total population, and they have much greater access to the Western industrialized democracies for advanced equipment and for technology.

So, for all of these reasons, I think it is appropriate now for us to withdraw those troops. A decision has been made. President Park has been informed. And we will work very closely with the South Koreans

¹ Maj. Gen. John Singlaub, Chief of Staff, U.S. Forces in Korea.

for an orderly transition, leaving the ground troops of the Republic of Korea strong enough to defend themselves and leaving our own commitment to them sure.

I might say that this has been brought about by two things—our complete confidence in the Republic of Korea and its ability and a complete awareness on the part of the rest of the world that our own commitment is firm.

PENDING LEGISLATION

Q. Mr. President, to follow up your opening statement, does that mean that you are putting Congress on notice that if they pass the appropriations bill with the water projects and with the impact aid, and if they pass the higher farm price supports, that you will veto those measures?

THE PRESIDENT. Well, I would rather wait until I see the final form of those bills. As you know, some of these measures have gone through appropriations committees; some have not. I don't think any of them yet have been approached in final form, but in the conference committees, on the floor votes, I will get a clearer picture of what Congress' intention might be. But I certainly reserve the right to veto bills if I think they are excessive.

I would rather not say definitely that I will veto a bill until I see what form it might take in its final completed form.

Q. To follow up that just on another prerogative that you have, if it gets to the point that a bill is vetoed and overridden, would you consider using the procedures that you have to rescind appropriations that have been voted, which, of course, have to be voted on by Congress, but would you use all of those prerogatives also if necessary?

THE PRESIDENT. Yes, I would certainly have to reserve the right to use any proper and legal prerogatives to pursue my posi-

tion. I can't win on everything I advocate. Obviously it's a two-way proposition. I might add again, as I said in the very first sentence, that the Congress and I have had a very good, cooperative relationship so far. But if these differences do evolve, I will have to reserve my own prerogatives as President to say no by veto, to rescind, if necessary, but I hope that it will not come to that.

THE MIDDLE EAST

Q. Mr. President, on March 9, you talked about the idea of Israel withdrawing to her '67 borders, with only minor adjustments. Is that still your position, and is there any way that Israel could retain the West Bank of the Jordan and make that fit in the definition of "minor adjustments"?

THE PRESIDENT. That is still my position, although I might add again that the United States, including myself as President—we do not have a Middle Eastern settlement plan, but the basic premises have been spelled out very clearly.

In the United Nations resolutions that have been passed, coming from the Security Council, voted on and supported by our Government—and these have been binding policies of the Government—they do include the right of the Palestinians to have a homeland, to be compensated for losses that they have suffered. They do include the withdrawal of Israel from occupied territories from the 1967 war, and they do include an end of belligerency and a reestablishment of permanent and secure borders.

All these things have been spelled out in writing in those United Nations positions which we have endorsed—every administration since they were passed.

I would certainly assume that withdrawal from West Bank territories, either partially or in their entirety, would be a part of an ultimate settlement, but that is

something that has to be worked out still between the Israelis and their neighbors.

We do not intend to put forward a description of what the exact borders should be. It is not our role to play. We will explore possibilities for common agreement and reserve the right to make our opinions known. But we have no control over anyone in the Middle East and do not want any control over anyone in the Middle East. But those three basic principles—permanent peace, secure borders, and resolution of the Palestinian question—all have been and still are integral parts of any peace settlement.

MILITARY INSTALLATIONS

Q. Mr. President, the Coalition of Northeastern Governors and the Coalition of Northeast-Midwest Congressmen have both written you letters urging more consideration for military installations, in the Northeast, primarily.

I wondered if those letters had come to your attention, if you had any reaction to them, and also whether it is logical and justifiable to have more military construction money for the coming fiscal year allotted to the State of Georgia than to all 16 of the coalition States combined?

THE PRESIDENT. I have heard from Members of Congress and from local Chambers of Commerce and others in almost every part of the country about the location, expansion or reduction of military installations.

This has been done and is being done and will be done strictly on the basis of national security requirements, when there is a very close call to be made.

A major factor is also the economic impact, and some decisions on environmental impact is also a factor. I think that if you would look at every one of the decisions that has been made so far by the Defense Department, you would find it

has been made on the basis of merit and not on the basis of politics.

Obviously, we have to take into consideration the adverse impact on employment and the degree of investment of a community's future in a military installation. But I have never had any inclination during the campaign to promise that we would keep a specific base open or close one. I have no inclination to do that now. Each decision will be made on its merits.

THE MIDDLE EAST

Q. Mr. President, to follow up on the Middle East, Mr. President, could you give us more of your thinking on the disposition of places like the Golan Heights, which you talked about during the campaign, the question of Jerusalem, and other areas like that? And can you say how your proposal for minor alterations differs from the 1969 American plan calling for substantial alterations?

THE PRESIDENT. No, I can't respond to those specific things. I think it would be inappropriate for me to try to draw a line on a map in the Golan Heights, the West Bank of Jerusalem, or the Sinai Peninsula. That is something that would have to be negotiated between the parties involved.

But I think also that it was obvious that the United States didn't advance the cause of the settlement when the so-called Rogers plan was put forward without adequate prior consultation with the different nations who were concerned with the Middle Eastern question.

I think it is better just to talk in terms of what our country has had as its long-time policy. But as far as an exact definition of the borders, I don't have the capability nor the inclination to go into that.

MAJOR GENERAL SINGLAUB

Q. Mr. President, I'd like to go back to General Singlaub and your transfer of

him. How do you square that with the claims of your administration that it's an open administration where dissent is encouraged? Isn't there a double standard between your treatment of him and your treatment of Andrew Young, the United Nations Ambassador, who has dissented several times from American policy and yet has not been transferred from his job?

THE PRESIDENT. Well, I know of no instance when Andy Young has violated a policy you described. In the case of General Singlaub, as I said earlier, he was not punished. We evolved the policy for South Korea over a long number of years. And I finally made a decision after consultation with the intelligence community, the military leaders, a formal meeting of the National Security Council, that we would withdraw our ground troops over a period of 4 or 5 years.

A member of the Joint Chiefs of Staff, Bernie Rogers, went to South Korea to meet with our own military leaders and some of the South Korean military leaders, as well. Our policy was explained. General Singlaub was one of those.

An announcement was made publicly that a representative of the State Department, Phil Habib, and the Chairman of the Joint Chiefs of Staff, General Brown, would go to Korea to explain this policy to the Korean officials and also, of course, to the American military officials.

After that announcement was made is when General Singlaub made a comment publicly that if this policy was carried out, it would result in war. In my opinion, that was a very serious breach of the propriety that ought to exist among military officers after a policy has been made, and I think to some degree it was an invitation to the North Koreans to believe that South Korea was not able to take care of themselves, which we think they are. I think it was an invitation to the world to expect an inevitable war. And I

certainly don't agree that there is any cause for a war to be expected.

In addition to that, I think it is important to remember that we are now in the process of carrying out this policy. And I don't believe that General Singlaub, being our negotiator with the North Koreans, by the way, and also being the third person in command in South Korea, could have effectively carried out this policy when he had publicly been identified as being opposed to it.

The other point is I think his presence in South Korea on a continuing basis would have been a disturbing factor. He would have been the focus of admiration and attention from those who do not want to carry out our policy. And I think it would have made it very difficult for his superiors to carry out the policy in harmony and cooperation with the South Korean Government.

PRESIDENCY'S FINANCIAL BENEFITS

Q. Mr. President, some people have expressed concern about former Presidents making millions of dollars by in effect selling the Presidency with television interviews and memoirs. What are your own intentions as to what you will do after you complete your term or terms?

THE PRESIDENT. Well, I can't answer that question yet. I might say what I have done so far. I wrote a book in the winter of 1975 called "Why Not the Best," which has now sold several million copies. Any receipts that have come in from that book since the end of May last year have not come to me or my family in any way. They have been put into a special reserve fund to finance a future library to hold the papers that might be derived from my own administration.

Shortly, there will be another book published of excerpts from my speeches since the time I became Governor of Georgia. That book has been given in its

entirety to the public use, not to have any money from its use come to me or my family.

I think that this is a policy that I would like to pursue after I go out of office. I don't know what my financial circumstances might be then. I might find a need on occasion to derive some financial benefit from writing or from appearances of some kind.

So, I can't close the door completely to what I will do after I am out of this office, but I can describe to you what I have already done voluntarily to make sure that there is no financial reward coming to me because I happen to be in the White House or even after the primary season was over because I was a prominent political figure. I don't want to benefit financially from this status.

FOREIGN POLICY

Q. Mr. President, your SALT II proposals calling for deeper cuts in the Vladivostok agreement were rejected by the Soviet Union after you had enunciated them publicly.

THE PRESIDENT. Yes.

Q. And your public statements with respect to a Palestinian homeland are being credited as being a factor in the election of a conservative, hardline political group in Israel.

Do you think that you are going to be able to continue your policy of open discussions of foreign policy issues and, at the same time, achieve agreements? In other words, do you think you are going to be able to have your cake and eat it, too?

THE PRESIDENT. I don't agree with the premise of your question. I don't believe that my open espousal of a desire on the part of the American people to reduce the number of missile launchers or atomic weapons prior to the time we negotiated

in Moscow was a reason for a breakdown in that discussion.

It has led to continuing discussions, and I believe it's a viable policy that I will pursue and I see no reason why the American people should not know it, and I believe that overwhelmingly the American people support it.

I think it's good for the American people to know what our positions are at the time that the Soviets know what our positions are, and vice versa.

This is a matter that must be addressed openly. It involves not only the Soviet and American people but it also involves our allies and friends who depend upon us around the world.

In the campaign itself and in my Inaugural Address, I expressed a hope which I still have, that ultimately myself or my successor, Mr. Brezhnev or his successor, can arrive at a point where nuclear weapons are eliminated completely from the Soviet and the American arsenals.

The other point of your question was concerning the results of the election in Israel. I think that the international questions in Israel were very slightly discussed or debated during their campaign. My opinion is that the result of the elections were not affected appreciably if at all by any statements that I made concerning an ultimate Middle Eastern settlement.

Our positions are compatible with the positions taken by my own predecessor and, in fact, historically the United States has espoused these basic principles. And I think that this is something that must be addressed frankly by the prospective government in Israel, by the people of Israel, their Arab neighbors, and by the people in the United States.

So, I don't intend to refrain from expressing very clearly my position on foreign issues to the public on occasion when negotiations are going on—or when we

have an agreement with our negotiating partners to refrain from public statements, of course I will do so. But that will be an individual judgment to be made.

WELFARE REFORM

Q. Mr. President, during the campaign when you discussed welfare reform, it was an attractive political incentive for the people of big cities to vote for you, sir. Yesterday Joseph Califano outlined your welfare reform proposals, and there seems to be a lag in time, number one, for the effective implementation of the program, and number two, very little relief for the cities of the Nation.

Do you think that you're conforming with your pledge during the campaign to help relieve the welfare burden from the big cities of this Nation?

THE PRESIDENT. Yes, I do. You can't isolate welfare, though, and just say that stands on its own, it's not related to other aspects of programs.

When we put forward multi-billion dollar programs for public works, for countercyclical aid, which goes directly to local and State governments for tax reduction for people who live there, for increased transportation funds, and so forth, all these things relieve financial burdens from local and State governments.

We are proposing before the August recess by the Congress our welfare package. A lot of work has been done on it. It's shaping up into a very attractive and, I think, very good proposal.

The basic premise on which this proposal has been evolved has been no additional cost above and beyond what we presently spend on welfare plus training and employment programs for those who might go on welfare.

Later if we see that we have additional money, we can expand the program or directly reduce the amount paid into the

program by local and State governments. But in the evolution of the program itself one of the requirements that I have laid down which is a tight constraint and a necessary discipline, is no additional cost above what we have now. So, I think we are carrying out our promises.

And the other aspect of your question was the late implementation of it. This is a very expeditious schedule. There is no way that Congress can act on welfare early this year. It will be submitted before August. And then the Congress can start debating this very complicated subject. But Congress right now has all it can handle in major proposals, with social security reform and tax reform coming up, and with the energy program.

But I think if it was passed immediately, it would take 3 or 4 years to fully implement it. But as soon as it is passed by Congress, the implementation will commence without delay and will be implemented as expeditiously as possible.

MENACHEM BEGIN

Q. Realizing that the Israeli government is not in place yet, but assuming that Mr. Begin will have a dominant role in it, and based on his initial remarks about withdrawal of the sector, do you see him as a potential obstacle to the peace process?

THE PRESIDENT. No, I don't.

I don't yet have any way to know who will put the government together. Obviously, Mr. Begin leads the Likud government which came in first. And we are waiting now for the Israeli election results to be confirmed and for the President of Israel to designate the leader of that party to put the government together. Following that time and before the government is completely evolved, I intend to congratulate Mr. Begin, if it is he, and to invite him or whoever is designated to come over here for discussions with me.

There obviously are difficulties caused by a change in the Israeli government. But in the long run, as is the case in our own country and in a democracy like Israel, the government leaders fairly accurately reflect the hopes and desires and fears and purposes of the people whom they are chosen to lead.

Mr. Begin will have to put together a government. He'll have to deal with conflicting interests as he forms his cabinet and brings in other groups to make sure that he has a majority in the Knesset.

So, I don't look at this as an insuperable obstacle. It does create a question. I think a large part of that question can be resolved when I meet with him personally and when he meets with the congressional leaders and with the Jewish Americans who are very deeply interested in this and sees the purpose of our own country.

I think this may have an effect on him. I have already seen some moderation in his views as he's dealt with Mr. Yadin and others, and I hope that this moderation will continue.

Obviously, the Arab leaders also have to be moderate. Some of the adamant stands that they have taken in the historical past will have to be abandoned. If they didn't, there would be no hope for peace.

So, both sides of this—or rather all sides of this discussion have to yield to some degree to accomplish the purposes of their own people.

MR. CORMIER. Thank you, Mr. President.

[President Carter's eighth news conference began at 10:30 a.m. in Room 450 of the Old Executive Office Building and was broadcast live on radio and television. Following the news conference, the President remained in the room to answer questions from reporters on an informal basis, as follows:]

Q. *[Inaudible]*

THE PRESIDENT. I don't know. I am going as a guest of the Navy. I don't know

whether it will be possible to take any on board or not.

Q. I am sure if you asked them, they would say yes.

THE PRESIDENT. There's a limit to the space there. There's also a problem with very high security aspects on a nuclear submarine. So, that's not something that I have gone into. I've told Admiral Rickover and the commanding officer of the ship that I would leave that question up to them.

Q. Mr. President, what is the status of the Australian CIA investigation?

THE PRESIDENT. I don't know. I don't want to respond to any substantive questions.

Q. Mr. President, do you think you should go on a submarine for 9 hours, in terms of safety, the country's security, and so forth?

THE PRESIDENT. Yes. I'll have adequate communications from the submarine with special Signal Corps people with me, and will still be in command of our Nation's affairs. Also, of course, the Secretary of Defense and State and the Attorney General and the Vice President—all of them will still be available.

Q. Will you have a hotline?

THE PRESIDENT. The hotline will be available to me, yes.

Q. I am not clear why you are going there—on the sub.

THE PRESIDENT. I want to learn at first hand about our Armed Forces' strategic capabilities. I'm not going to spend that much time just talking about that submarine and its design. I'll be talking to the naval officials, including Admiral Rickover, at some length, about the capabilities and limitations of our strategic submarine force, which is an integral part of our defense mechanism. And as you know, I've already been on the Air Force command and control plane.

But over a period of months, as Commander in Chief of the Armed Forces, I need to know about our defense capabilities, and one of the best ways to get that information is to visit in person some of the military bases and installations.

Q. Mr. President, once again you didn't get beyond the fourth row this time. I've got a question about the month of May.

About a month ago, you declared May a time to remember the problems of the elderly, and I've got a couple of questions I've been trying for the last three press conferences to ask you.

THE PRESIDENT. Why don't you wait until the next press conference, and if you'll remind Jody, I'll try to call on you.

Q. All right. Fine.

Q. Mr. President, that submarine can carry cruise missiles. Could you talk to us a little bit about the cruise missile?

THE PRESIDENT. Not now, Marilyn [Marilyn Berger, NBC News].

Q. Mr. President, one thing was left unclear. Aviation News reported that you are considering a moratorium on cruise; is that accurate?

THE PRESIDENT. No.

Q. Mr. President, you are tying yourself more and more tightly to balancing the budget, and it may be a goal that has factors that you can't afford. How come you keep locking yourself more and more tightly into it?

THE PRESIDENT. I'm not—not any tighter than I have been.

International Monetary Fund

***Nomination of Thomas B. C. Leddy To Be Alternate U.S. Executive Director.
May 26, 1977***

The President today announced that he will nominate Thomas B. C. Leddy, of Vienna, Va., to be Alternate U.S. Execu-

tive Director of the International Monetary Fund. Leddy has held that position since 1975, so this would be a reappointment.

Leddy was born January 27, 1943, in Washington, D.C. He received a B.A. in economics from George Washington University in 1964 and has completed coursework for a Ph. D. in economics there.

In 1964 and 1965, Leddy was a research assistant on the NASA Space Flight Telemetry Project at George Washington University. From 1965 to 1968, he was an international economist in the Office of the Assistant Secretary of the Treasury for International Affairs (OASIA), Office of Latin America.

From 1968 to 1970, Leddy was Assistant Financial Attaché in the American Embassy in Tokyo, Japan. During 1970 he served as an international economist in OASIA's Office of Industrial Nations, detailed to assist the Deputy to the Assistant Secretary of International Monetary Affairs.

Leddy was an international economist in OASIA's Industrial Nations Finance, International Monetary Office from 1970 to 1973. From 1973 to 1975, he was deputy director of the Office of International Monetary Affairs.

Department of the Treasury

Nomination of John G. Heimann To Be Comptroller of the Currency. May 26, 1977

The President today announced that he will nominate John G. Heimann, of New York, N.Y., to be Comptroller of the Currency. Heimann is commissioner of the New York State division of housing and community renewal.

He was born April 1, 1929, in New York, N.Y. He received a B.A. in eco-

nomics from Syracuse University in 1950.

Heimann was with the firm of Smith, Barney & Co. in New York from 1955 to 1966, serving as vice president from 1962 to 1966. He was senior vice president and director of E. M. Warburg, Pincus & Co. from 1967 to 1975. He served as superintendent of banks in the New York State banking department from 1975 until 1976, when he became commissioner of housing and community renewal.

Heimann is a member of the New York State Banking Board and is on the boards of directors of the New York State Economic Development Board and Advisory Services for Better Housing, Inc. He is on the steering committee of the National Urban Coalition, and on the boards of directors of the National Center for Housing Management, Inc., and of the National Housing Conference, Inc.

Heimann is a member of the Subcommittee on Meeting the Needs for Adequate Capital of the Committee for Economic Development, and a trustee of the Institute on Man and Science. He received the 1976 "Housing Man of the Year" award from the National Housing Conference.

United States Ambassador to Switzerland

*Nomination of Marvin L. Warner.
May 26, 1977*

The President today announced that he will nominate Marvin L. Warner, of Cincinnati, Ohio, to be Ambassador Extraordinary and Plenipotentiary of the United States to Switzerland. Warner is chairman of the board and chief executive officer of Warner National Corp.

He was born June 8, 1919, in Birmingham, Ala. He received a B.S. in 1939 from the University of Alabama, an LL.B. in

1941 from the University of Alabama Law School, and an LL.M. in 1942 from George Washington University. He served in the Army from 1941 to 1946.

From 1946 to 1949, Warner was vice president of Warner Realty and Insurance Co., in Birmingham. He served as president of Warner-Kanter, Inc., from 1950 to 1959. Since 1959 he has been with Warner National Corp., first as president, then as chairman of the board and chief executive officer.

Warner was a member of the U.S. delegation to the United Nations Twenty-third General Assembly in 1968. He is a member of the Democratic National Committee and of the Ohio Governor's Commission on Housing and Urban Development. He has received the Ohio Governor's Award for Distinguished Service.

Appalachian Regional Commission

*Nomination of Robert W. Scott To Be
Federal Cochairman. May 26, 1977*

The President today announced that he will nominate Robert W. Scott, of Mebane, North Carolina, to be Federal Cochairman of the Appalachian Regional Commission. Scott is self-employed in the farming and consulting business in Haw River, North Carolina. He was Governor of North Carolina from 1969 to 1973.

He was born June 13, 1929, in Alamance County, N.C. He received a B.S. from North Carolina State University in 1952. He served in the U.S. Army from 1953 to 1955.

Scott has been self-employed as the owner-manager of Melville Farms, a commercial dairy operation, since 1955. He was assistant to the master of the North Carolina State Grange from 1959

to 1961, and master of the North Carolina Grange from 1961 to 1963.

Scott served as Lieutenant Governor of North Carolina from 1965 to 1969, and as Governor from 1969 to 1973. He was executive vice president of the North Carolina Agribusiness Council from 1973 to 1975. Since 1973 he has been a consultant to the North Carolina department of community colleges. He is also president of the Governmental Relations and Assistance Group, Inc., and of Scott Enterprises, Inc.

Scott was chairman of the Democratic National Governors' Caucus in 1970-71 and vice chairman of the Democratic National Committee in 1971-72. He served as chairman of the Southern Regional Education Board in 1970-71.

Treaty of Tlatelolco

Remarks on Signing Protocol I of the Treaty. May 26, 1977

I am very pleased this afternoon to participate in what I believe is an historical occasion. This is a ratification by the United States of Protocol I of the Tlatelolco Treaty, the deliberations for which were begun in November of 1964 following the Cuban missile crisis, when Brazil and 10 other Latin American countries, through the United Nations' auspices, began to evolve a commitment against the deployment or use of atomic weapons in the Latin American part of this hemisphere.

In 1971, our own country ratified Protocol II with the distinguished representative of our Government, Senator Hubert Humphrey, having signed that on behalf of the United States.

The ultimate hope of this commitment by all the nations involved is a complete prohibition against the ownership or de-

ployment or use of nuclear weapons in the southern part of this hemisphere and complete international safeguards for all nuclear materials that are owned by all those countries.

So far, only two countries have not signed [ratified] this treaty. One is Argentina and the other one is Cuba. France has not yet signed Protocol I, which we are signing this afternoon, and the Soviet Union has not signed Protocol II.

This is a commitment of worldwide significance. As I said in my own Inaugural Address, our ultimate hope is that we can eliminate completely from the Earth any dependence upon atomic weapons, and I think it is significant and typical of our Latin American neighbors and those countries in the Caribbean that 10 years before that time they had already made this worthy commitment, which sets an example for the world.

So, at this time I would like to, on behalf of the American people, to sign Protocol I of the Tlatelolco Treaty, which means that we will not deploy nuclear weapons in the Caribbean or in the Central or Southern American Continents.

[At this point, the President signed the protocol.]

We are very proud of the leadership role that the nation of Mexico has played. Tlatelolco is in the suburbs of Mexico City, and if I had my preference I would have chosen a place that has a little bit easier pronunciation but—[laughter]—I have practiced, and with the help of many people I have now learned how to say it, I believe. The Mexican Foreign Office is in Tlatelolco.

Could Senator Humphrey come up and stand here by me, if you don't mind.

The reason for signing four documents is that they are in four languages—English, French, Spanish, and Portuguese.

NOTE: The President spoke at 1:05 p.m. in the Rose Garden at the White House.

Eleanor Roosevelt National Historic Site

Statement on Signing H.R. 5562 Into Law. May 26, 1977

It is an honor for me to have this opportunity today. I am signing into law the first addition to the National Park System under my administration, and I am deeply touched that this new addition is to be a living memorial to the former First Lady, Anna Eleanor Roosevelt. This law establishes her home, Val-Kill, in Hyde Park, N.Y., as the Eleanor Roosevelt National Historic Site.

Eleanor Roosevelt was known not only for her deep compassion for her fellow human beings but also for the tremendous energy she expended in so many important causes of her day, as she shattered the traditional roles which First Ladies before her had adopted. In 1962, President Truman referred to her as "The First Lady of the World." To say that she was an active First Lady is an understatement.

She made one of her greatest contributions to the world during her service at the United Nations, where she chaired the Commission on Human Rights of the United Nations Educational, Scientific and Cultural Organization and participated in drafting the United Nations covenants and the historic Declaration of Human Rights. These tasks symbolized the rightful role which women can play throughout the world.

I think that it was in the area of human rights that Mrs. Roosevelt made her greatest contributions. In her many projects, she appealed to the best qualities and instincts of humankind and fought to break down the barriers of prejudice, discrimination, and injustice which divided people against each other. Her memory stands as an inspiration to us today as we

continue to strive for the higher ideals which she articulated. I take part in this ceremony today with a sense of great respect as we honor Mrs. Roosevelt. I hope that this site will serve as an inspiration for our generation and the generations to come.

NOTE: As enacted, H.R. 5562 is Public Law 95-32, approved May 26.

John Fitzgerald Kennedy Library

Statement on Signing H.J. Res. 424 Into Law. May 26, 1977

It gives me great pleasure to sign into law H.J. Res. 424, which will permit the Administrator of General Services to accept on behalf of the people of the United States a generous gift of land, buildings, and equipment from the Commonwealth of Massachusetts for the John Fitzgerald Kennedy Library to be located in Boston.

It is fitting that I take this action today. Sunday, May 29, is the 60th anniversary of the birth of President Kennedy. It is also fitting that this working memorial to President Kennedy will be located in Boston—the city which meant so much to him and to which he meant so much.

Shortly after President Kennedy's death, the National Archives accepted custody of his Presidential papers. On February 25, 1965, Mrs. Jacqueline Kennedy and the executors of the John F. Kennedy estate donated his papers and other historical materials to the United States for eventual deposit in a John F. Kennedy Library.

In 1969, the Kennedy Library opened in temporary quarters in the Federal Archives and Records Center in Waltham, Massachusetts. Since that time, the library has made available to researchers the documents of the Kennedy administration. The archival staff there has estab-

lished an excellent record in declassifying and opening papers that are important to an understanding of recent American history. Thus, the Kennedy Library is already an active archival institution.

When the permanent library is built on Columbia Point at the University of Massachusetts in Boston Harbor, the public will be able to view historical exhibits from the Kennedy years in the museum section while researchers are at work in the research rooms.

This new library will be the sixth in the Presidential library system—all built with private funds. These combined research centers and museums have become assets to the communities in which they are located and have served to stimulate interest in our Nation's history.

Construction of the Kennedy Library has been long delayed. I am delighted that with my signing of this resolution, it is now becoming a reality.

NOTE: As enacted, H.J. Res. 424 is Public Law 95-34, approved May 26.

International Labor Organization

Statement by the President. May 27, 1977

The question of U.S. relations with the ILO remains a matter of high priority and will remain under continuing review by a Cabinet-level committee where, we hope, the AFL-CIO and the Chamber of Commerce will continue to play active roles.

Because of dissatisfaction in the U.S. Government and among labor and industry leaders with a number of unfortunate trends in the ILO, the United States submitted a letter on November 5, 1975, giving the required 2-year notice of intent to withdraw from the organization. In that letter, it was stated:

"The U.S. does not desire to leave the ILO. The U.S. does not expect to do so. But we do intend to make every possible effort to promote the conditions which will facilitate our continued participation. If this should prove impossible, we are in fact prepared to depart."

Those views are no less valid today. They will guide our actions and our ultimate decision in the critical months ahead.

Digest of Other White House Announcements

The following listing includes the President's daily schedule and other items of general interest as announced by the White House Press Office during the period covered by this issue. Events and announcements printed elsewhere in the issue are not included.

May 21

The President met at the White House with:

- Zbigniew Brzezinski, Assistant to the President for National Security Affairs;
- Acting Secretary of State Warren M. Christopher, Under Secretary of State for Political Affairs Philip C. Habib, Secretary of Defense Harold Brown, Gen. George S. Brown, Chairman of the Joint Chiefs of Staff, Richard Holbrooke, Assistant Secretary of State for East Asian and Pacific Affairs, and Dr. Brzezinski. The purpose of the meeting was to give final instructions to Mr. Habib and General Brown, who were going to South Korea on Tuesday, May 24, for serious consultations with the Republic of Korea;

Administration of Jimmy Carter, 1977

—Maj. Gen. John Singlaub, Chief of Staff, U.S. Forces in Korea. On Thursday, May 19, the President had instructed the Secretary of Defense to order General Singlaub back to the United States to report to the President.

May 23

The President met at the White House with:

- Dr. Brzezinski;
- senior White House staff members;
- the Cabinet;
- Mrs. Carter, for lunch;
- Federal agency representatives to discuss zero-base budgeting;
- Charles L. Schultze, Chairman of the Council of Economic Advisers;
- Representative James C. Wright, Jr., of Texas and other Members of Congress, to discuss water resource projects.

The President transmitted to the Congress the Department of Transportation's annual report on the operations and activities of the Alaska Railroad.

May 24

The President met at the White House with:

- Dr. Brzezinski;
- Vice President Walter F. Mondale;
- Bert Lance, Director of the Office of Management and Budget;
- Mike Mansfield, U.S. Ambassador to Japan;
- a group of administration officials to discuss undocumented aliens.

May 25

The President met at the White House with:

- Dr. Brzezinski;
- members of the Tennessee congressional delegation;

—a group of administration officials to discuss the budget for fiscal year 1979;

—Malcolm Toon, U.S. Ambassador-designate to the Soviet Union.

The President transmitted to the Congress the ninth annual report of the National Advisory Council on Economic Opportunity.

May 26

The President met at the White House with:

- Dr. Brzezinski;
- William H. Sullivan, U.S. Ambassador to Iran;
- Dr. Brzezinski and Adm. Stansfield Turner, Director of Central Intelligence.

The President left Washington for a Memorial Day weekend visit to Georgia and Florida.

NOMINATIONS SUBMITTED TO THE SENATE

The following list does not include promotions of members of the Uniformed Services, nominations to the Service Academies, or nominations of Foreign Service officers.

Submitted May 23, 1977

ARTHUR W. HUMMEL, JR., of Maryland, a Foreign Service officer of the Class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Pakistan.

JOHN ANDREW LINEHAN, of Maryland, a Foreign Service officer of Class two, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Sierra Leone.

SAM YOUNG CROSS, JR., of Virginia, to be United States Executive Director of the International Monetary Fund for a term of 2 years (reappointment).

HERBERT SALZMAN, of the District of Columbia, to be the Representative of the United States of America to the Organization for Economic Cooperation and Development, with the rank of Ambassador.

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NOMINATIONS—Continued

Submitted May 23—Continued

HANS MICHAEL MARK, of California, to be Under Secretary of the Air Force, vice James W. Plummer, resigned.

XAVIER M. VELA, of the District of Columbia, to be Administrator of the Wage and Hour Division, Department of Labor, vice Ronald J. James.

ROBERT ALAN FROSCH, of Massachusetts, to be Administrator of the National Aeronautics and Space Administration, vice James C. Fletcher, resigned.

Submitted May 24, 1977

JOHN C. WEST, of South Carolina, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Kingdom of Saudi Arabia.

ALBERT W. SHERER, JR., of Connecticut, a Foreign Service officer of the Class of Career Minister, for the rank of Ambassador while serving as the head of the United States Delegation to the preparatory meeting in Belgrade of the Conference on Security and Cooperation in Europe (CSCE) commencing June 15, 1977 and thereafter as a member of the United States delegation and head of the delegation's working group at the main CSCE meeting in the autumn.

MELISSA F. WELLS, of New York, a Foreign Service officer of Class two, to be the Representative of the United States of America on the Economic and Social Council of the United Nations, with the rank of Ambassador.

Submitted May 26, 1977

MARVIN L. WARNER, of Ohio, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Switzerland.

THOMAS BYRON CRAWFORD LEDDY, of Virginia, to be United States Alternate Executive Director of the International Monetary Fund for a term of 2 years expiring October 22, 1979 (reappointment).

JOHN GAINES HEIMANN, of New York, to be Comptroller of the Currency, vice James E. Smith, resigned.

ROBERT WALTER SCOTT, of North Carolina, to be Federal Cochairman of the Appalachian Regional Commission, vice Donald W. Whitehead.

NOMINATIONS—Continued

Submitted May 27, 1977

ANTONIA HANDLER CHAYES, of Massachusetts, to be an Assistant Secretary of the Air Force, vice Juanita Ashcraft, resigned.

VIRGINIA DILL MCCARTY, of Indiana, to be United States Attorney for the Southern District of Indiana for the term of 4 years, vice James B. Young, resigning.

JAMES K. ROBINSON, of Michigan, to be United States Attorney for the Eastern District of Michigan for the term of 4 years, vice Philip M. Van Dam.

**CHECKLIST OF WHITE HOUSE
PRESS RELEASES**

The following releases of the Office of the White House Press Secretary, distributed during the period covered by this issue, are not included in the issue.

Released May 22, 1977

Advance text: commencement address at the University of Notre Dame, South Bend, Ind.

Released May 23, 1977

News conference: on the President's message to the Congress on the environment—by Charles H. Warren, Chairman of the Council on Environmental Quality

Fact sheet: on the President's message to the Congress on the environment

Advance text: remarks to the White House Conference on Handicapped Individuals

**ACTS APPROVED BY
THE PRESIDENT**

Approved May 23, 1977

H.R. 3477----- Public Law 95-30
Tax Reduction and Simplification Act of 1977.

S. 1279----- Public Law 95-31
Community Emergency Drought Relief Act of 1977.

Approved May 26, 1977

H.J. Res. 424 ----- Public Law 95-34
A joint resolution to authorize the Administrator of General Services to accept land,

Administration of Jimmy Carter, 1977

ACTS APPROVED—Continued

buildings, and equipment, without reimbursement, for the John Fitzgerald Kennedy Library, and for other purposes.

H.R. 5562..... Public Law 95-32
An act to authorize the establishment of the Eleanor Roosevelt National Historic Site in

ACTS APPROVED—Continued

the State of New York, and for other purposes.

H.R. 6205..... Public Law 95-33
An act to authorize appropriations for fiscal years 1978, 1979, and 1980 to carry out the Atlantic Tunas Convention Act of 1975.

PRESIDENTIAL DOCUMENTS

Week Ending Friday, June 3, 1977

Brunswick, Georgia

Exchange With Reporters on Arrival at the Brunswick Airport. May 26, 1977

REPORTER. What's the first thing you are going to do now?

THE PRESIDENT. I'm going to put on some blue jeans and some Keds and get outdoors. We'll try to fish a little while.

Q. Do you suffer from claustrophobia?

THE PRESIDENT. On submarines? No, just when I'm surrounded by news people. [Laughter] Submarines don't bother me.

Q. Is the Admiral¹ going to let the press get on?

THE PRESIDENT. I don't know. I left it up to the Admiral and the commanding officers. There is a great deal of top secret material on a nuclear submarine. And that was the problem, whether to try to conceal it. But I would give a press briefing when I get off.

I understand they have arranged for a hovercraft and also for helicopters to follow us along. We'll stay on the surface for maybe 3 hours before we dive. So there will be plenty of chance for photo opportunities. And then I'll have a press conference when I get off the sub.

¹ Adm. Hyman G. Rickover, USN, Director, Division of Naval Reactors, Energy Research and Development Administration.

Q. Mr. President, did you have a chance to talk to Congressman Ginn about the shrimping situation here in South Georgia?

THE PRESIDENT. I hope you don't think that Bo Ginn would have been on the plane with me for an hour and a half without talking about the shrimp problem. [Laughter] I didn't have to take a chance. He came up to our cabin immediately to talk to me about it. I had already gotten a report from Joe Tanner² on the extremely disappointing test harvesting of shrimp for this year. It's only 2 or 3 percent of what it was last year. And I think Bo Ginn met with the Governor's people this morning to work out a proposal for special assistance for the shrimp fishermen—I think more than 300 boats. And I presume that when I get back up to Washington Tuesday, it will be waiting for me there. I am not yet involved in it, but it has to go through the process of being assessed. And I think the request might be for loan and other assistance for shrimp fishermen to tide them over this year without any harvesting.

Q. Is it likely then, Mr. President, that you are going to honor Governor Busbee's request to declare the coast of Georgia a disaster area?

² Joe D. Tanner, Georgia Commissioner of Natural Resources.

THE PRESIDENT. Well, I don't know yet. I can't predict what will be decided. But if there's any possibility for me to do it properly and legally, I'll try not to dis-appoint my Georgia friends.

Q. Is there much chance that you will interrupt your vacation and go out and talk to some of the shrimpers while you are here?

THE PRESIDENT. I don't know; I might. We just haven't decided about that yet. Bo Ginn has given me a guaran-tee of a thorough report on the shrimpers' problems.

Q. Did you have to have a physical ex-amination before going down? How deep will you go under, do you know?

THE PRESIDENT. Well, that doesn't af-fect—in the first place, no, I don't know how deep we are going. But that would not affect the physical condition of myself or anyone else. The pressure inside a sub-marine is maintained constant regardless of the depth we go.

Q. How many hours have you logged on subs?

THE PRESIDENT. Oh, I don't know. The longest I was ever under the surface without coming up was 19 days. But I was on a submarine for 2 years, in and out of ports. We took long trips to the eastern coast of China, beginning in late 1948. And I left the submarine force in the winter of 1953. So, I spent months and months at sea and long periods of time submerged.

Q. Are you anxious to take the helm?

THE PRESIDENT. Yes, I am. I'm look-ing forward to it. I have never operated on a nuclear submarine before. I left the Navy before the nuclear subs actually be-gan to operate.

I was a senior officer in charge of get-ting the second nuclear submarine ready for sea, working under Rickover then. That was in 1951, '52, and '53.

Q. You think you can handle a ship still?

THE PRESIDENT. Oh, I think so. I think so. They have got some automatic devices to prevent serious errors. [*Laughter*] And I am sure I will be well watched.

Q. We'll be waiting for you.

THE PRESIDENT. Are you all going down to Cape Canaveral with us?

Q. Yes.

THE PRESIDENT. I think you are going to enjoy it. The ones that don't go out on the helicopter and all—as you probably well know, Cape Canaveral has a lot of good things to see.

Q. Can we give you a tape recorder to record your comments?

THE PRESIDENT. Yes. Rex Granum ³ is going to go out with me. And I hope that you all will talk to Rex before we go out. Rex?

Q. We're not adverse to going along.

Q. Let us in the crew.

THE PRESIDENT. They were just talk-ing about getting a complete report back on the submarine and whether we'd have tape recordings or not. I thought you might talk to them before we go and may-be take a tape recorder along.

MR. GRANUM. I thought we would.

THE PRESIDENT. Several times during the day you might ask me questions and I would respond to you.

MR. GRANUM. I thought we might just hang there and get some of the quotes, and so forth.

THE PRESIDENT. Okay.

Q. The Atlanta Constitution will pay for it. [*Laughter*]

REPORTER. Thank you. Have a good time.

THE PRESIDENT. Thank you. We will see you later.

NOTE: The exchange began at 3:25 p.m. at the Brunswick Golden Isles Glynco Jetport.

³ Deputy Press Secretary.

Following his remarks, the President motorcaded to Musgrove Plantation, St. Simons Island.

Port Canaveral, Florida

Exchange With Reporters on Arrival. May 27, 1977

THE PRESIDENT. It is good to see you.

Q. Are you sure you don't want to have a little pool with you, Mr. President?

THE PRESIDENT. It is not up to me, it is up to the—I think—are we going to have a small group going on board?

Q. We have five on now.

THE PRESIDENT. We have five on board now.

Q. Really?

THE PRESIDENT. Yes.

Q. When was the last time you were on a submarine, sir?

THE PRESIDENT. The last time I was on a submarine was in Savannah, I guess 6 years ago. But we were not at sea. It was just a visit alongside the dock.

The last time I was on board a submarine at sea, I think, was in 1952. So, it has been a long time.

Q. Mr. President, have you ever been on a nuclear submarine?

THE PRESIDENT. No, I never have before. I worked on a nuclear submarine program before the first one went to sea. I was a senior officer in charge of the crew that built the second submarine, the U.S.S. *Sea Wolf*, but I left the Navy in 1953, in October.

The *Nautilus* and the *Sea Wolf* didn't go out to operate until after I left the Navy. So, I am looking forward to learning about it.

Admiral Rickover has been a very good instructor for me, both back in the 1950's and also in the 1970's. But I think we will

have a good day. When I come back I will have a thorough briefing. I think we are going to have news coverage from the air.

We will stay on the surface for an hour and a half or 2 hours as we go out to the hundred-fathom line. Then we will dive from there.

Q. [Inaudible]

THE PRESIDENT. I am sorry?

Q. What are you holding?

THE PRESIDENT. It is just a light jacket that I always wear on board a boat.

Q. Did you wear that when you were in the Navy?

THE PRESIDENT. I haven't had it that long. I don't—

Q. [Inaudible]

THE PRESIDENT. I think they are going to do everything they can to show me how the submarine works. I will have a report when we come back.

Rex Granum will do several interviews during the day with a tape and bring those back. The reason for the press not going out on the boat is that there are a large number of items on the ship and operating techniques that are highly classified. And they either have to cover all those up or take some other actions just to stay out of those compartments. That is the reason for the press not going on board.

Q. Mr. President, do you call this a ship or a boat?

THE PRESIDENT. I'm sorry?

Q. What do you call this, a ship or a boat?

THE PRESIDENT. Well, when I was in submarines they called them ships. But now they are five or six times larger so—I mean they called them boats back then. But now I think they call them ships.

Q. Admiral Rickover was selected to serve as a submarine officer, and now he is actually hosting you on board a nuclear submarine.

THE PRESIDENT. Yes.

Q. How do you feel about that?

THE PRESIDENT. Well, I've said many times in my public statements and also in writing, how much Admiral Rickover affected my life and my attitude. He demanded a lot more from me than I had ever thought I could do. So, I think both in politics and also running a peanut farm, and also in the Navy, his concept of what a human being could do, compared to what they ordinarily do, has been a reminder to me. I haven't always measured up to it. But I have a great affection for him personally and a great obligation for what he has meant to me.

So, I'll see you all when I get back from being on the ship.

Q. Mr. President, one other question: As an old Navy man, do you remember what the bow is and what the stern is?

THE PRESIDENT. Of course. [Laughter]

REPORTER. Thank you, Mr. President.

NOTE: The exchange began at 8:45 a.m. on the dock at Port Canaveral.

Port Canaveral, Florida

Remarks to Reporters by the President and Admiral Hyman G. Rickover Prior to Boarding the U.S.S. "Los Angeles." May 27, 1977

ADMIRAL RICKOVER. Good morning. The President has asked me to give you somewhat of a briefing.

I think the best thing to do is to talk about the program in general. We now have 108 submarines in commission. We have 31 more that they are either building or are authorized. We also have six (eight)¹ surface ships.

These ships do not have to be refueled until they have operated for about 400,000 miles. An ordinary surface ship going at full power must refuel somewhere between 5,000 and 6,000 miles. The ration-

ale for nuclear surface ships is that you can steam hundreds of thousands of miles without being refueled.

Now, in the case of an energy shortage—and you must remember that during World War II large numbers of tankers were sunk by German submarines. The largest of these tankers was about 16,000 tons at that time. Compared to the tankers of today, which run two, three, and four hundred thousand tons, they were very small targets.

Furthermore, the submarine menace will be far greater now than it was then for two reasons. One is the fact that an atomic submarine has far greater capabilities both for endurance, for speed.

When President Carter was on a conventional submarine, I believe the maximum speed it could make was about 10 or 12 knots per half hour. A nuclear submarine—and I am not permitted to divulge the exact speed, but I can tell you I am authorized to say it is over 20 knots.

That magic figure, sir, was set by Harry Truman. He decided that we could talk to that extent. That will show you the great power a President has, even after his death. You ought to bear that in mind.

THE PRESIDENT. How many years of ordinary operation will a ship like this go with an atomic powerplant before it has to change the fuel?

ADMIRAL RICKOVER. A test of 13 years. That, of course, is the salient point. Furthermore, it is a much more potent weapon.

Another point that should be brought out was that in World War I, the Germans only used 15 submarines around the British Isles. There were ships that could only make eight knots and stay submerged for less than an hour. These 15 submarines almost won the war.

At one time in 1917, February 1917, there was only 4 days' worth of supplies

¹ Printed in the White House press release.

left in CRAMS to take care of the British Islands. The war was won because the United States entered and those submarines were incapable compared to modern submarines.

In World War II, the Germans started with about 40 submarines. That is all they had at the time. Had they had more, they would have won.

Those submarines required—the German submarines that eventually built up required 20 percent of the entire Allied war effort to lick. The only reason they ever came near doing that is we found out subsequently that the United States and the Allies knew all the German codes. They knew exactly where every German submarine was at all times. Without such a great assist, the war would have been lost.

So, this is the submarine. Both ours toward the other side and the Russians' toward our side offer a great menace. But as all military organizations are, the people in them tend to fight the way they already have, and it is quite natural because a military man has to be conservative. He has to look at the lessons of the past.

Further, in any military organization, it tends to be dominated by the percentage of officers in it. The American Submarine Corps constitutes about 6 percent of the entire personnel in the Navy. Therefore, its importance rests or lies in proportion. Congress has recognized this. The Defense Department and the Navy have almost consistently been against submarines, nuclear submarines. Congress has recognized it and has dealt with it.

THE PRESIDENT. The way I understand our present submarine force, this submarine, the *Los Angeles*, then would be designed for attacking other ships, protecting our own ships—

ADMIRAL RICKOVER. Yes, sir.

THE PRESIDENT. —against war vessels.

ADMIRAL RICKOVER. It is designed for two major purposes—to be an attack submarine and also to act as an escort vessel. So, what I would like to do is start—we have a regular briefing set up. I think we are getting underway.

THE PRESIDENT. Very good. Thank you all.

REPORTER. Thank you.

NOTE: The exchange began at 9:05 a.m. on the dock at Port Canaveral.

As printed above, this item follows the text of the White House press release.

Port Canaveral, Florida

Question-and-Answer Session With Reporters on Disembarking From the U.S.S. "Los Angeles." May 27, 1977

THE PRESIDENT. Hi, everybody. I think the best thing to say when I come off this 9-hour trip on one of our latest, I think the latest, nuclear submarine is that it strengthens my own confidence in the superb quality of the people who man our very crucial defense mechanisms. It also strengthens my confidence in those who design them and keep them operating in such a superb way.

Admiral Rickover's involvement in this program has ensured literally thousands of years of cumulative operation of nuclear powerplants under the most stringent conditions and in the earliest phases of research and development, with never a mishap. And I believe this is a credit to him and to our own country's technical capabilities and to the men and women who serve in the Navy.

It's very important for me as President to understand as clearly as I can the capabilities of our own forces to defend our

country and to ensure that our policies overseas are carried out, that our obligations to our allies are met.

I've had a chance to see the submarine operate in both surface and submerged conditions, at top speed and under all kinds of emergency situations, carefully done, but simulating actual experiences that might be facing our submarine force under times of war.

I'm very proud of what I've seen. This is the first time I've been on board a submarine at sea since the early 1950's. And it was a very exhilarating and gratifying experience for me.

Admiral Rickover and Captain and Admiral Williams, who commands our submarine forces in the Atlantic, all gave me a thorough explanation over a 5- or 6-hour period of the capabilities of our submarine forces.

This happens to be an attack submarine, the U.S.S. *Los Angeles*, commissioned just this past November. It's designed to destroy others ships and to act as an escort in protecting our own surface ships and on independent patrol. The other basic kind of submarine that we have, of course, is a nuclear strategic ship, which can fire long-range missiles in a war that we hope to avoid because of the strength of our Armed Forces, as demonstrated through their own operations and through the knowledge that potential enemies might have of us.

But I believe that with absolute certainty I can say that there is no finer ship in the world than this one. It's the latest developed by the greatest country on Earth.

I'd be glad to answer just a couple of questions or let Admiral Rickover answer the questions. Would you like to say a word?

Q. We noted that they didn't pipe you aboard. Was that at your request or what?

THE PRESIDENT. Well, I think Admiral

Rickover had arranged ahead of time for there not to be the pomp and ceremony when I was on board. The crew acted as though I was not there. They didn't stand at attention when I went into compartments. Rosalynn and I both ate with the ship's crew for lunch and just had a chance to share with the enlisted men and officers what they knew about their own stations, which was superb. But I didn't go aboard to be treated as a high official, but just to learn and let them know that we share a common partnership in the protection of our country.

Q. Mr. President, in view of the fact that this is the kind of ship that could carry cruise missiles, was your presence here today in any way connected with the SALT talks that are now going on?

THE PRESIDENT. Well, I had a very good briefing and a partial demonstration about how this ship could utilize cruise missiles in carrying out its basic purposes. And I was highly impressed with what I saw.

The cruise missiles, in my opinion, will be an integral part of the future of our defense forces. And this will be true whether they are armed with nuclear warheads or conventional warheads. I think that this trip today on a ship that can, as you say, use the Tomahawk cruise missile is a very good learning experience for me.

The basic questions on the cruise missile will be evolved in our interrelationship with the Soviet Union and SALT talks in the months ahead. The limits that can be placed on the cruise missiles still have to be worked out.

We recognize that this is a missile with great potential. And whether it might be launched from the sea, surface or submerged, whether it might be launched from land or from air, my own hope, as I expressed in my Inaugural Address, is that eventually we might find some oppor-

tunity to completely eliminate atomic weapons from all arsenals in the world. But until that time, we'll have to be cautious and careful, well-equipped, and well-trained.

I have no doubt that this submarine has demonstrated that to me today.

Q. Do you foresee long-range cruise missiles for this kind of a ship or shorter range?

THE PRESIDENT. Well, it depends on what you mean by the definition of "long" and "short" range. Certainly, this ship could very well handle cruise missiles now that would have a range far beyond the horizon.

The exact range limitations or definitions will have to wait for future deliberation. But I think it's accurate to say now that the basic thinking would be that you would need longer range cruise missiles on the airplanes, the strategic airplanes; short of range, but still adequately long, on the surface and submerged ships.

Q. Admiral, how did he handle the ship, please, and do you have a sense of pride in how far one of your junior officers has come?

ADMIRAL RICKOVER. Well, it shows that any sailor or officer in the Navy can become President. There was a living demonstration of that. It was an encouragement, and I am afraid we have introduced competitors to President Carter at the next election because a lot of the people are getting the idea that they've got a chance, too.

But he did a superb job. He actually piloted the ship at the stern plane, at the bow and stern planes while the ship was making high speed. He actually operated the throttle of the plant when it was making top speed. That speed was more than 20 knots. [Laughter] That is a figure which, when Mr. Truman was President, he authorized us to use for the highest speed. And President Carter, being a

Democrat and an admirer of President Truman, has emulated his example. Is that correct, sir? [Laughter]

THE PRESIDENT. That's correct.

Q. Does the President still have his sea legs, Admiral?

ADMIRAL RICKOVER. Sea legs? It shows you're not familiar with submarines, because no sea legs are required for a submarine. It's very quiet. You don't even know you are underway. I excuse you because of your ignorance. [Laughter]

Q. Did you convince the President that we should build more nuclear subs?

ADMIRAL RICKOVER. I don't think the President is a man who can be convinced except by his own convictions.

Q. Well, did you convince him?

ADMIRAL RICKOVER. I don't believe the President is a man who can be convinced except by his own convictions, and I hope, in view of the fact that there are other members of the press, that you don't repeat that question because I will be compelled to answer in the same way. [Laughter]

THE PRESIDENT. Let me make one comment, Admiral. Let me point out to the press a very interesting statistic, since we are at Cape Canaveral where the first manned space flight was made. The amount of the United States money that was spent to put the first manned space flight into space exceeds the total amount that has been spent under Admiral Rickover in the research, development, production of all nuclear-propelled ships that the Nation now owns.

ADMIRAL RICKOVER. It is about 10 miles long.

THE PRESIDENT. He just pointed out that it would be about 10 miles long if you lined them up end-to-end and approaching between 1,500 and 2,000 cumulative years of operation.

I might point out, too, that the amount of radioactive material that has been dis-

charged from these ships in the last 25 years, the total amount that's ever been discharged from one of these ships into the surrounding sea, that anyone could drink that much water and still it would be equivalent to about seven or eight X-ray examinations per year.

Q. Could you share with us any of the things you may have learned on this trip that you didn't know before?

THE PRESIDENT. Well, we spent a great deal of time going through the entire ship, seeing how it was designed, letting, in each instance, a junior officer or a chief petty officer or an enlisted man explain to me their own function.

The ship, compared to the ones that I was on, has complete quantum leap in the comprehension and understanding by all its crew members of what a particular line is or the access to valves; the safety is superb. Each part of this ship, as directed by Admiral Rickover many years ago, is divided up into tiny sections. Blueprints are provided and they are little, tiny signs that say, "This area is the responsibility of Jones." So, if there's any dust or if it's not completely manicured and well-painted, you know exactly which particular part is whose responsibility. We also were able to see the tremendous safety factors built in as far as operation is concerned—the duplicated systems, the superb separation of radioactivity possibilities from the surrounding areas, and the standby capabilities in every aspect of propulsion, generation of power, navigation, and the submarine's capabilities as a war machine.

Another thing that was very impressive to me is when this ship first went to sea last November, only 30 percent of the crew had ever been to sea before. And now, it's a smooth-running, very functional mechanism.

Admiral Rickover, in the last 25 years, has interviewed more than 12,000 officers

who have gone into the submarine fleet. Every officer who goes to take a position in a submarine is interviewed personally by Admiral Rickover.

The training standards are absolutely superb, and the standards for design and manufacture, installations are absolutely superb. There's no way to find criticism with the way the ship is either designed, laid out, or manufactured, and the way the records are kept. This is a demonstration of leadership in its purest and most excellent form. And I believe that this kind of dedication to the defense of our country extends down to the newest and most junior crewmember who serves on the U.S.S. *Los Angeles* and its other equivalent sister ships.

We had a chance—I did—to operate the ship at maximum speed to go from full speed to flank speed with me at the controls, and the ship was maneuvered very violently but very smoothly.

The automatic mechanisms maintain it in the time of emergency if something should happen to personnel. There were simulated casualties so that more and more junior people took over when an officer was ostensibly incapacitated. They all performed superbly without any prior knowledge. The nuclear reactor was scrambled, that is, shut down without any prior notice, and the crew reacted very well.

So, I think that the impression that I got was of a crew and a war machine, this submarine, very carefully designed and operating at its optimum capability.

I was, as you can tell, very much impressed. I'm very proud of the captain and the crew of this ship.

Thank you very much.

Q. Could we read this possibly as a message to any other country that this Nation is not negotiating from the point of weakness of the seas? Is that the message?

THE PRESIDENT. Well, I'll answer this question, and then we'll have to go.

Our country is one that desires peace. And our country is one that desires disarmament. Our country is one that's capable of meeting our own defense needs and of carrying out our obligation to our allies and friends.

There is no doubt that we have a long way to go in alleviating tension in the world. I think it's accurate to say that the evolution of the nuclear submarine, which was Admiral Rickover's great accomplishment, has helped to preserve that peace in the last quarter century. We have had long conversations today about safety and about the hope that nuclear weapons can be eliminated.

Admiral Rickover agrees with me that if we could ever get other nations to agree to that proposal, that it would be in the best interest of ourselves and of the world.

So, I think it is very crucial that our friends and potential adversaries understand that our country is equipped to defend ourselves, to maintain peace without belligerence or threat, but with a quiet confidence in the skill of our engineers and the skill of our military people.

I think that we have a confidence in ourselves and a determination to carry out our Nation's purposes that will stand us in good stead. There's no weakness. There's no lack of will. There's no lack of confidence. There's no lack of common purpose. So, our will to do what's right, our ability to do what's right in defending our country and carrying out our foreign policy, in my opinion, is well understood by all other countries in the world.

NOTE: The President spoke at 6:03 p.m. on the dock at Port Canaveral. In his remarks, he referred to Vice Adm. Joe Williams, Jr., Commander, Submarine Forces, U.S. Atlantic Fleet, and Capt. J. C. Christianson, Commander, U.S.S. *Los Angeles*.

Following his remarks, the President returned to St. Simons Island, Ga.

Rosalynn Carter's Trip to the Caribbean and Latin America

Remarks of the President and Mrs. Carter Prior to Her Departure From Brunswick, Georgia. May 30, 1977

THE PRESIDENT. I just want to say this morning that I am very grateful that Rosalynn is able to go down to the Caribbean and to Central and South America. She and Mrs. Kay Vance, wife of the Secretary of State, will be going to Jamaica and also to Costa Rica, Ecuador, and Peru, to Brazil and Colombia and to Venezuela.

They have been well prepared for this trip. It's a gesture of good will between our own country and those nations in Latin America, who have been so close to us in years gone by, historically our friends and allies. We share with them a common purpose, a common culture, common interests, problems, and opportunities.

In addition to this expression of friendship, this small group will be discussing subjects which are of interest to the leaders of those countries, and Rosalynn will be making daily reports back to me and to the Secretary of State about the results of the conversations with the leaders of those countries.

She and Mrs. Vance and others have been well briefed about the current status of relationships between ourselves and the people whom she will visit.

We have, I think, an opportunity to strengthen these ties with our friends to the south. We don't have a special slogan for Latin America anymore, but we have a commitment to treat them as individuals.

One of the problems in the past has been that we have looked on South America, Central America, the Caribbean as parts of a homogeneous group of nations, but we see much more clearly now that

they have special individual problems and special individual opportunities in relationship with us.

So, they go with my good wishes. She will deliver to each one of the leaders of those countries my special commitment to strengthen our relationships with them in a friendly and equal fashion. They are just as valuable to us as we are to them, and we want them to understand how we cherish their good will and their trust and our mutual commitment.

Perhaps Rosalynn would like to say just a word.

MRS. CARTER. Thank you.

I am looking forward to the trip. I am glad that I was the one that was chosen to go to Latin America and to the Caribbean. I think it is so important when there is a new administration to develop personal relationships with the leaders of the other countries.

I think they are interested in us. We are always interested when a new leader comes to power in another country. So, I think it's important. And I think that I can establish a personal relationship with the heads of the countries that I am going to visit and our family.

I've had a long-time interest in Latin America. Jimmy and I have traveled there many times, and so we already have a special feeling for the countries that I am going to be visiting.

I think you all know that during the campaign I really studied and learned the domestic issues. Since Jimmy has been President, I have done my homework on foreign affairs. I've had intensive briefings.

I think that I will be—well, I am sure that I can stress the goals and priorities of the Carter administration in foreign affairs to the leaders of these countries.

Jimmy said all during the campaign that we had neglected our friends among the countries of the world and that he

was going to be sending his family to visit these countries if he were elected President.

In that sense, I think you can call it a good will trip. But I wanted it to be more than just a good will trip. I wanted it to be valuable to the countries that I was visiting. And, therefore, I have studied. I do know Jimmy's basic foreign policy, which I will be stressing to these foreign heads of states and consulting with them to bring back to Jimmy the concerns that they have and the special problems that each of the countries have.

I'm looking forward to it. Thank you very much.

NOTE: The President spoke at 9:45 a.m. at the Brunswick Golden Isles Glynco Jetport.

Brunswick, Georgia

Exchange With Reporters at the Brunswick Airport Following Mrs. Carter's Departure. May 30, 1977

REPORTER. Mr. President, what are you going to tell about the Cuban policy?

THE PRESIDENT. I think it's obvious that we want to have good relations with Cuba. We haven't had any firm indication yet that Castro wants to normalize relations with us. But I think we will have indications in the next few weeks of strengthened diplomatic relations with Cuba, far short of recognition.

Q. Despite their sending military advisers to Ethiopia? Does that bother you at all?

THE PRESIDENT. Well, obviously, it would be better for the peace of Africa if other nations would not send troops and military forces into Africa.

Cuba still has almost 15,000 troops in Angola. They have recently sent about 50 military advisers into Ethiopia. And they have, in addition to that, people in

Mozambique and 8 or 10 other countries, sometimes just three or four, sometimes a larger number.

We would like very much for Cuba to refrain from this intrusion into African affairs in a military way. Obviously, this is one of the problems that Cuba creates.

Another major concern of ours is the large number of political prisoners in Cuba, between 15,000 and 20,000. We see, though that it would be better for our hemisphere if Cuba did have good relations with the other nations here. And this is something that we hope to see in the future.

Q. What do you mean by this "in a few weeks?" What's going to happen?

THE PRESIDENT. Well, we don't know for sure, but I think we've demonstrated an ability to work with Cuba on the fisheries agreement and also on the maritime agreement. We have some hopes that there will be other similar kinds of small steps toward an increased ability to communicate and to discuss mutual concerns. It would be a mistake to be too optimistic about it.

Q. Mr. President, how long will it be, do you think, before the trade embargo finally comes to an end?

THE PRESIDENT. I don't have any way to know.

Q. How are you and Amy going to get along for the next 2 weeks? [*Laughter*]

THE PRESIDENT. I don't know. I'm not accustomed to my wife being gone. I feel lonesome already. She will be gone 12 days. She will be sending back messages at least once a day through diplomatic channels. We will stay very close to one another that way. I don't like for Rosalynn to be gone.

Q. How do you account for the difference in view between your optimism and Brezhnev's pessimism on SALT?

THE PRESIDENT. Well, I think I've already discussed this adequately. It's the

same difference that existed between Gromyko and Vance, both describing the same circumstances.

I think, compared to what the Soviets indicated in Moscow, it was a great step forward. We felt, for a change, that they genuinely wanted to have discussions leading to an agreement. And they didn't exhibit this inclination when we sent Cy Vance to Moscow.

So, in that way it was an improvement. But it again would be a mistake to underestimate the great differences that exist between us.

The main thing they have that concerns us is the increasing reliance on very large missiles with multiple warheads. And the thing that we have that concerns them obviously is the capability to deploy large numbers of cruise missiles at an early date.

We hope to—we'll be very persistent about it without being in a hurry. I don't feel constrained every time we have a meeting with the Soviets to sign some kind of an agreement just to be signing something. But they know very clearly, I think, our own position now, and we know their position much more clearly than we did before the Geneva meeting.

My goals have not changed and won't change. We want to do everything we can to reduce dependence on atomic weapons. We'll be trying to induce the Soviets to join with us in this purpose.

Q. Do you still have hopes of meeting Brezhnev in late September?

THE PRESIDENT. Well, we have never put a date. I think that we certainly would keep that hope alive when we see how Gromyko and Vance get along at their next meeting. So, I think we might make a decision on a possible meeting with me and Mr. Brezhnev. But that's not sure yet.

Q. At the next meeting?

THE PRESIDENT. It's hard to say.

Q. What are you going to do with the rest of the day?

THE PRESIDENT. I have got about a half day's hard work to do, paperwork. I have been putting it off until after Rosalynn left. She has been studying for several weeks in meetings with State and National Security Council experts on Latin America. She has also read volumes of special briefing papers on the different countries. And she had accumulated a group of questions in a notebook. And so, last night she and I went over those questions and I gave her the special perspective of a President. [*Laughter*]

Q. Did you answer them all?

THE PRESIDENT. Well, I tell you, she knows more about a lot of those countries than I do, their history and their particular attitude toward multinational treaty arrangements, and so forth. She has really done a lot of homework. And I haven't specialized on Latin America yet, and she has.

I will see you all later.

NOTE: The exchange began at 10 a.m. at the Brunswick Golden Isles Glynco Jetport.

Plains, Georgia

Question-and-Answer Session With Reporters. May 31, 1977

THE PRESIDENT. I think the best thing to do would be to just respond to questions. I don't have any statement to make.

Q. Do you have any feelings about your reception this time?

THE PRESIDENT. Well, I'm always grateful to come back to Plains and to see the people with whom I grew up. I believe it is accurate to say that the reception has been good. But I'm not surprised. I love them just as much as they do me.

Q. What about how the town has changed since you first began to—

THE PRESIDENT. I'm very pleased at the way the town has been kept as it was. It's almost more than 600 people can do to handle literally thousands and thousands of tourists and still be friendly and hospitable and to preserve the basic nature of this tiny community.

But I think they have done an excellent job, and I am very proud. I hope that when I'm out of my present position as President and come back home to Plains, it will still be just like this. I am very proud of it.

Q. President Carter, have you appointed a trustee yet for the peanut business?

THE PRESIDENT. Mr. Kirbo is the trustee for my whole estate, including the peanut business.

Q. There is not going to be any change in that?

THE PRESIDENT. No, not that I know of.

Q. [*Inaudible*]

THE PRESIDENT. No, I haven't asked Mr. Kirbo what he has in mind. My instructions that I gave to him before January 20 was to handle it as he saw fit without consulting with me.

Q. Now that you are back in Plains, is there anything that you would like to do that you can't do because you are President?

THE PRESIDENT. No, I think that I can do almost anything that I would like to, not with very much privacy. But I believe that the tourists and the press have been very accommodating this morning in letting me go into the stores and speak to my friends and my relatives.

I'm going to have lunch with my mother. Amy made a list of the people that she particularly wanted to see, some of her classmates and friends. And they'll be at the Pond House to play with Amy this afternoon.

And then Billy and I are going over to one of our farms during the afternoon.

I'm going to get some wild plums—this is the plum season—and just look at our farms.

We have had a terrible drought here. And this is probably one of the worst crops we have ever had this time of year. But I think, in general, I feel unconstrained about moving around. I don't mind meeting people and having them shake hands and talking to them briefly.

When I leave this place, I am going over and vote. We have an election today in Sumter County about some tax matters and some free port zones. And I will be visiting my wife's mother, who is helping to run the polls today.

Q. President Carter, have you heard from your wife?

THE PRESIDENT. Yes, I talked to Rosalynn this morning about 7:15. She called me from Jamaica. She spent about 3½ hours yesterday with the Prime Minister, Manley, and with some of his government officials.

She was very pleased at the conversations that they had. She said that all the studying that she's been doing for the last number of weeks paid off, that they went into quite some depth and specificity on questions that affect our relationships with Jamaica. She was very pleased at the response.

We have been quite concerned in recent years that we had lost a lot of the friendship that used to tie us very closely to the people of Jamaica.

She was getting ready this morning, early, to go out to one of the plantations, and she'll be there with the Prime Minister again, and this afternoon will leave for Costa Rica.

Q. Mr. Carter, to go back to Plains, what about the problems in your church here? I know you are aware of them. Are you planning to go back to the church at all and try to help out in that situation?

THE PRESIDENT. Oh, it's my church,

and I don't ever intend to leave it. While we are in Washington, as you know, we transferred our membership to the First Baptist Church there. But when I come back to Plains, the Plains Baptist Church will be my church.

They have had some very difficult times. And there is still some misunderstanding, even some animosities in the church, unfortunately. Bruce Edwards, our pastor, is out in Hawaii this week, I think, with his wife. He was invited by one of the churches out there to come out and preach what the Baptists call a trial sermon, and they'll be looking him over. But I think he's had several opportunities for a new position. He's a fine young man. And I think this is just one of those things that have been brought on our church by the publicity that surrounded my presence there.

I feel responsible for it in a way because it was a very disruptive thing to have enormous crowds coming to the little church. But I believe that God will take care of it.

Q. Mr. President, when you are up at the White House, what do you miss most about Plains, now that you are back?

THE PRESIDENT. Well, obviously, I miss the friends and relatives that are so close to me. I had a very fine career in the Navy. I guess I had just about the number one position of a naval officer of my rank at the time. And I gave all that up to come back to Plains because of the strong ties that I have here.

I'm still a farmer at heart, and I miss the planting season and the crops being produced. I had a chance to go with Billy this morning down to our peanut shelling plant. And it's just a basic part of my life.

I don't find any conflict between an affection for Plains and also a gratification at being President. But just the community, the attitude, the closeness, the sharing of a common life in a small group of people—and I guess between Rosalynn

and me, we are akin to an awful lot of the people in Plains. But I feel at home when I am here. This is my home.

Q. Mr. President, yesterday you hinted at some positive movements in our relations with Cuba. Can you be more specific? And does that movement include the possible exchange of ambassadorial representatives?

THE PRESIDENT. I don't see any prospect immediately in the future, within the next number of months, of full diplomatic recognition which would involve the exchange of Ambassadors. But we have made, I think, good progress, primarily as a result of negotiations and discussions on the part of Mr. Todman,¹ representing the State Department.

I'm not prepared now to make any announcements. We have an agreement with the Cuban officials that we'll keep the discussions about the private negotiations without revealing them to the public.

But I have been encouraged. As I said yesterday, we still have a lot of differences between us. And the basic ones are the ones that I mentioned at the airport: the inclination on the part of Cuba to send military troops and advisers to Africa, which I think is a destabilizing factor, and also the large number of political prisoners that are being held in Cuba for a number of years.

But I believe that there is an inclination on the part of the American people to continue to move toward a full friendship with Cuba, and I have that as an ultimate goal. But I can't report any specific additional progress at this point.

One more question.

Q. Mr. President, have you ever communicated directly with Mr. Castro, either through letter or diplomatic communications?

¹ Terence A. Todman, Assistant Secretary of State for Inter-American Affairs, and U.S. Coordinator, Alliance for Progress.

THE PRESIDENT. Not directly. Through intermediaries, we have communicated. But I've never had a chance to communicate through an Ambassador since we don't have relations with Cuba.

I've never sent him a personal letter, but I've sent him my best wishes for a successful conclusion of our negotiations by representatives, directly from the State Department. And he has responded accordingly.

Q. Mr. President, one more question. Did Jody tell you he "out-fished" you yesterday? [*Laughter*]

THE PRESIDENT. Yes.

Thank you.

REPORTER. Thank you, Mr. President.

NOTE: The question-and-answer session began at 12:30 p.m. at the depot.

Swearing-In Ceremony

Remarks at the Swearing In of the Director of the National Science Foundation, the Director of the Office of Science and Technology Policy, and the Director of the Office of Drug Abuse Policy. June 1, 1977

This morning we have another one of those ceremonies that gives me a great deal of pride in being able to introduce to our Nation people of distinguished qualifications and deep dedication to their own professions, who at some sacrifice to themselves have agreed to come in and serve our country.

Dr. Richard Atkinson, who has been the Acting Director of the National Science Foundation for the last year, is a person who brings to this tremendously important organization a background that is somewhat unique. He's trained in psychology and the humanities and in science, and I think it is significant that we are now departing from the physical sci-

ences to some degree in seeking a broader scope for research and development in determining how best we can deal with the complicated world that we face in years to come.

There are about \$800 million that are channeled into innovative thought processes to decide how our world might be shaped by human beings in these trying times. And I am very grateful to him for being willing to serve in this capacity.

This is a position that must have the trust and confidence of the scientific community—all its disciplines—and I am grateful to have a man of his stature and ability and reputation serve in this position. He comes from Stanford originally.

And we have also this morning, coming to be introduced to you and to be sworn in officially, Dr. Frank Press from MIT. We considered all kinds of people and backgrounds and experiences in being my own adviser within the White House on scientific matters.

Dr. Harold Brown is well qualified in physics, and I particularly wanted someone to help me who had a broader scope of understanding. And as you know, Dr. Frank Press is an expert on Earth sciences. He's one of those who has been able to form a very close working relationship with the scientific community in the Soviet Union. He's been very widely respected throughout the world for his work in seismographic determinations and did the basic planning for the method that we've now used to monitor compliance with nuclear explosives set off beneath the Earth's surface.

In the few weeks that Frank Press has been here in the White House working with me, I've really been favorably impressed and gratified at the broad range of his understanding on scientific matters. And he will be sworn in this morning, too, as an integral part of my own administration.

He attends the Cabinet meetings. He attends the senior staff meetings. And whether it might be new weapons systems, scientific aspects of SALT negotiations, problems with defense experimentations that might lead to new opportunities there, or whether it involves problems with weather determination or, in many instances, problems involving social sciences, he's been very helpful in helping me to make the right decisions.

The other man who will be sworn in this morning is one of the best personal friends I have in the world, Dr. Peter Bourne. Dr. Bourne came to our country when, I think, he was about 17 years old—I may not be exactly right about that—from England. His father, Dr. Geoffrey Bourne, is in charge of the Yerkes Primate Center at Emory University where advanced work is done in the testing of primates to determine how their characteristics might help human beings live a better life.

Dr. Bourne is a psychiatrist. He's become perhaps, I think, the world's foremost expert on drugs—their origin, their processing, their distribution, their sale, their use, the effect on the human body, how they might be controlled. He's written perhaps a similar work on alcoholism, and he's a scholar who has a great commitment to the humane aspect of science.

Dr. Bourne is also an expert on medicine and gives me and Joe Califano a great deal of help in determining the policies for the future in that field. He's a good diplomat. Because of his special knowledge, Dr. Bourne over a number of years has been invited to go into countries with whom we have no diplomatic relations and which on occasion have been very bitter enemies of ours. But he's been invited to come in to understand their particular problems in health, alcoholism, drug problems, and has helped to open up

avenues of discussion that have been very valuable to me and to the State Department.

I'm very grateful also, that he will be working for us in our Office of Drug Abuse Policy, and he will be a great help to me, to the State Department, to the Congress, and to the other organizations in our Government.

So, this is a morning when we are taking a great step forward in recementing the relationship between scientific knowledge, the probing of new areas of human comprehension on the one hand, and the political application of that knowledge on the other, for the benefit of all mankind and, Mary, and womankind. [*Laughter*]

I am very grateful that these men are willing to serve, and now they will be given the oath of office.

Thank you very much.

NOTE: The President spoke at 10:30 a.m. in the Rose Garden at the White House. In his concluding remarks, he referred to Dr. Bourne's wife, Mary E. King, Deputy Director of ACTION.

Following the President's remarks, David L. Bazelon, Chief Judge of the United States Court of Appeals for the District of Columbia Circuit, administered the oath of office.

Consumer Agency Legislation

Remarks at a Briefing for Representatives of Consumer Groups. June 1, 1977

As you know, Esther Peterson is one person that's impossible to scorn.¹ [*Laughter*]

For 8 years, the Congress of the United States has been considering whether or not to give the average people in our

country, the consumers, a voice in government that's clear and concise, inexpensive and effective.

We've still not been successful. When we had a President who had promised to veto the bill, the Congress was more inclined to give it support. Now when it's sure that the White House will approve this legislation to set up an agency to protect consumers, the lobbyists have come out of the woodwork and the Congress is under intense pressure.

I think the action of those who oppose this legislation is ill-advised. I'm very grateful that more than 100 major businesses in our country have seen the advisability of supporting this legislation, because, individually, the business leaders of our country are fair. They want to be sure that their own customers are protected, and they are not afraid of competition in our free enterprise system.

Unfortunately, when business leaders organize and hire a staff and hire lobbyists, they lose that individual commitment to their customers, and the lobbyists' only commitment is to their employers, to business, corporations, themselves.

So, I think there's a separation here between what individual business leaders want and know is fair and what their spokesmen espouse on Capitol Hill.

This proposal is not earth-shaking. The proposal is for a tiny agency, just to be a focal point for equity and fairness. It's not contradictory to the spirit of the free enterprise system—it's part of it; it exemplifies it; it strengthens it.

It satisfies an unmet demand in our society for the quiet and the unorganized and the sometimes vulnerable purchasers of goods and services just to have a voice. There is no authority granted—just the right to speak and to be heard and to join in the debate or discussion and to probe for unfairness and let that unfair-

¹ The President was alluding to critical remarks which Richard L. Leshner, president of the Chamber of Commerce of the United States, had made about Esther Peterson, Special Assistant to the President for Consumer Affairs.

ness be revealed. There's nothing wrong with that.

We have seen over the historical times in our Government regulatory agencies established. And if you read the legislation and the title, it says to protect consumers—to protect customers. But over a period of time, because of the disorganized disarray and the absence of intense focusing of attention on the part of consumers—to protect customers. But over a on too many occasions, protectors of and sometimes even servants of the industries that were supposed to have been regulated.

Quite often, decisions are made in secret and decisions are made without the public understanding the consequences of technicalities. It's impossible for a President to understand them. It's impossible for Congress to understand them, because the average Member of Congress—certainly all Presidents—have such a widely diverse list of responsibilities in any given day that we can't focus on a technical ruling that might result in people being cheated. So, we need some small group just to watch and to listen and to discuss and to speak.

I've asked Bert Lance, the Director of the Office of Management and Budget, to give me an estimate on how many different agencies in the Government could be eliminated if this tiny agency is formed and how much money would result in savings if they could be channeled into this small agency. There are 13 that have been identified by the Office of Management and Budget, leaving intact those that serve a unique purpose. This involves about 180 people with an annual budget of \$10.4 million. So, for anyone to cloud the issue by maintaining that this is another major agency piled on top of a bureaucratic mess, that's a simply misleading statement.

There would be no increase in the bureaucracy; there would be a reduction in the bureaucracy. There would be no confusion created; there would be an elimination of confusion. There would be no increased cost at all; as a matter of fact, as this agency functions and probes the workings of Government, it in itself would reveal functions that were no longer needed and agencies that were duplicative of others' functions.

I think in the long run, the savings would be substantial and the simplification of Government would be very gratifying. The total cost could be saved through reorganization. Even if it couldn't, the cost of the agency for consumer protection equals the amount of money that the Defense Department or HEW spends in one hour. So it's a tiny amount involved, but it's very, very important.

I hope that all of you from labor and from business, from consumer organizations, from local government, from State government who have an interest in better government will act aggressively during the coming weeks, because we've permitted misinformation put forward by special interest groups who are selfish to capture the consciousness and the attitudes of the public almost by default, in spite of the intense commitment and the self-sacrificial effort by people like Esther Peterson.

I'd like to add my voice as President to something that I think would contribute to renewed trust among people in their Government, would improve the openness of government to public scrutiny, would save the taxpayers money, would reduce the complications of a bureaucracy, would increase competition in our free enterprise system.

I know that a lot of businesses are here that see the wisdom of this action. One of my favorites is the Levi Strauss Com-

pany. [*Laughter*] I'm one of their best customers. I just don't have time to wear out my blue jeans as much as I used to.

And the King Supermarkets, and Montgomery Ward, and Mobil, and Gulf and Western, and Atlantic Richfield and many others—I can't name them all, more than 100—in business to make a profit, but also in business to be fair and in business to serve their customers, and also in business to meet legitimate competition without fear in the greatest system, economic system on Earth. What could possibly be so fearful about guaranteeing that all businesses adopt the same attitude and the same posture?

So, I would just like to ask you to join with me and these men and women behind me in putting forward our best effort to improve our Government in this simple but very profound fashion.

Thank you very much.

NOTE: The President spoke at 11:10 a.m. in Room 450 of the Old Executive Office Building.

American Convention on Human Rights

Remarks on Signing the Convention.
June 1, 1977

This morning, my wife is in Costa Rica, and yesterday when she arrived at the airport she reported that today, after waiting for many years, the United States would ratify this Convention on Human Rights.

In 1969, when this agreement was reached in this hemisphere, the other nations came forward to commit themselves to a legally binding document which would express the aspirations that have existed among all our countries since the first governments were formed in North and South America.

As far back as the 1820's, Simón Bolívar put forward a concept of human freedom and the responsibility of government to protect the rights of individuals.

In 1948, another agreement was reached in our hemisphere to pursue this noble endeavor of democratic and free governments. In 1969, this covenant was signed by the other nations.

This blank place on the page has been here for a long time, and it's with a great deal of pleasure that I sign on behalf of the United States this Convention on Human Rights which will spell out in clear terms our own belief in the proper relationship between free human beings and governments chosen by them.

I believe that no one nation can shape the attitudes of the world, and that's why it's so important for us to join in with our friends and neighbors in the south to pursue as a unified group this noble commitment and endeavor. And I think that it's accurate to say that among almost all the leaders of the 150 nations of the world this year, there is a preoccupation with and a concern about basic human rights.

Part of it is because of actions like these on behalf of free people. Another, of course, is the upcoming conference in Belgrade on the progress that has been made by the 35 signatories of the Helsinki agreement.

But we are very glad this morning to join in this commitment and to follow the leadership of other countries in this hemisphere who have preceded us in the signing of this agreement.

I'm very grateful to be honored by the presence here of these distinguished representatives of their governments, and I therefore sign now for the United States this agreement.

[*At this point, the President signed the convention.*]

This is dated the 22d of November 1969. This is the American Convention on Human Rights.

Thank you very much.

NOTE: The President spoke at 11:30 a.m. at a ceremony in the office of the Secretary-General of the Organization of American States at the Pan American Union.

Environmental Protection Agency

Nomination of Thomas C. Jorling To Be an Assistant Administrator. June 1, 1977

The President today announced that he will nominate Thomas C. Jorling, of Williamstown, Mass., to be Assistant Administrator of the Environmental Protection Agency (Water and Hazardous Materials). Jorling is director of the Center for Environmental Studies at Williams College, Williamstown, Mass.

He was born June 25, 1940, in Cincinnati, Ohio. He received a B.S. in biology from the University of Notre Dame in 1962, an M.S. in ecology from Washington State University in 1969, and an LL.B. from Boston College Law School in 1966.

Jorling was a science teacher in West Roxbury, Mass., in 1965-66. From 1966 to 1968, he was an attorney-advisor in the Solicitor's Office, Department of the Interior.

He served as Assistant General Counsel for the Smithsonian Institution in 1968 and 1969. From 1969 to 1972, he was minority counsel for the U.S. Senate Committee on Public Works. He has been director of the Center for Environmental Studies at Williams College since 1972.

Jorling is a member of the American Association for the Advancement of Science and the Ecology Society of America.

He has had several articles published on legal aspects of pollution control.

United States Foreign Intelligence Activities

Executive Order 11994. June 1, 1977

By virtue of the authority vested in me by the Constitution and statutes of the United States of America, including the National Security Act of 1947, as amended, and as President of the United States of America, in order to conform certain references in Executive Order No. 11905 to organizational changes made by Executive Order No. 11985 with respect to the direction and control of intelligence activities, it is hereby ordered as follows:

SECTION 1. Section 3(d) of Executive Order No. 11905, as amended by Executive Order No. 11985, is amended as follows:

(a) Delete subparagraph (1)(i) and insert in lieu thereof:

“(i) Chair the PRC when it carries out the duties assigned in Section 3(b) of this Order.”.

(b) Delete in subparagraph (1)(iii) “CFI” and substitute therefor “PRC”.

(c) Delete in paragraph (2) “(Committee on Foreign Intelligence)”.

SEC. 2. Section 4 of Executive Order No. 11905, as amended by Executive Order No. 11985, is amended as follows:

(a) Delete in paragraph (a) (6) “CFI” and “Operations Group” and substitute therefor “PRC” and “SCC” respectively.

(b) Delete in subparagraph (e) (1) (iii) “CFI” and substitute therefor “PRC”.

(c) Delete in subparagraph (e) (1) (v) “CFI” and substitute therefor “PRC”.

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(d) Delete in paragraph (f) (2) the words "Committee on Foreign Intelligence" and substitute therefor "PRC".

JIMMY CARTER

The White House,
June 1, 1977.

[Filed with the Office of the Federal Register,
3:55 p.m., June 2, 1977]

NOTE: The Executive order was not issued in the form of a White House press release.

United States-Japan International Fishery Agreement

Message to the Congress Transmitting the Agreement. June 2, 1977

To the Congress of the United States:

In accordance with the Fishery Conservation and Management Act of 1976 (P.L. 94-265: 16 USC 1801), I transmit herewith a governing international fishery agreement for 1978-1982 between the United States and Japan, signed at Washington on March 18, 1977.

This Agreement is significant because it is one of a series to be negotiated in accordance with that legislation. It sets out the principles that will govern fishing by Japan for fisheries over which the United States exercises exclusive management authority. I urge that the Congress give favorable consideration to this Agreement at an early date.

JIMMY CARTER

The White House,
June 2, 1977.

NOTE: A White House announcement released the same day stated that: "This agreement is one of a series negotiated since the U.S. proclamation of a 200-mile fishery conservation zone. It goes to Congress for congressional oversight, and will take effect 60 days after it has been transmitted, unless both Houses pass a resolution in opposition."

Executive Committee on Reorganization

Appointment of the Members of the Committee and Richard A. Pettigrew as Assistant to the President for Reorganization. June 2, 1977

The President today announced the membership of the Executive Committee on Reorganization, the top-level working group on executive branch reorganization announced in his reorganization plan on April 6, 1977.

He also announced the appointment of Richard A. Pettigrew, of Dade County, Fla., to serve as Assistant to the President for Reorganization.

The Executive Committee on Reorganization, to be chaired by the President, will include the Vice President, OMB Director Bert Lance, Mr. Pettigrew, Civil Service Commission Chairman Alan Campbell, and Council of Economic Advisers Chairman Charles L. Schultze.

The Committee will advise the President on all aspects of the reorganization effort, including study priorities and final recommendations. It will review recommendations developed by the Reorganization Project Staff for streamlining the executive branch.

Pettigrew, who will also serve as the Committee's administrative officer, will be responsible for assisting the President in the overall executive reorganization process. He will have primary responsibility for developing mechanisms to enlist public involvement in reorganization, and will analyze citizens' problems in dealing with the executive branch to see how reorganization can help to alleviate them.

An attorney, Pettigrew served in the Florida House of Representatives from 1963 to 1972. Appointed to the Constitutional Review Commission in 1965, he was a leader in the State's 3-year effort to draft and adopt a new constitution. As

chairman of the Government Organization and Efficiency Committee, he was an architect in Florida's executive branch reorganization in 1969.

Pettigrew served as Speaker of the Florida House from 1970 to 1972. He was elected to the Florida State Senate in 1972, where he served as chairman of the Criminal Justice Committee. He resigned in 1974 to run for the U.S. Senate.

He was born on June 10, 1930, in Charleston, W. Va., moving to Florida that same year. He received his B.A. (1953) and J.D. (1957) from the University of Florida. From 1953 to 1955, he was an officer in the U.S. Air Force, serving in Korea and Japan.

Federal Personnel Manual

Memorandum to the Chairman of the Civil Service Commission. June 2, 1977

To Chairman Campbell

It has been brought to my attention that Chapter 410, subchapter 8, paragraph 4 of the Federal Personnel Manual, entitled "Nonparticipation in Segregated Meetings or Conferences," addresses only discrimination based on race.

It is this Administration's policy that Federal officials should not participate in private conferences or meetings held in facilities which discriminate on the basis of sex, religion, or national origin, as well as race. Accordingly I request that you take whatever action is appropriate to amend the above cited provision to reflect this policy.

Sincerely,

JIMMY CARTER

[The Honorable Alan Campbell, Chairman, Civil Service Commission, Washington, D.C. 20415]

NOTE: The memorandum was not issued in the form of a White House press release.

United States Circuit Judge Nominating Panel for the Third Circuit

Appointment of the Members of the Panel. June 2, 1977

The President today announced the membership of the United States Circuit Judge Nominating Panel for the Third Circuit.

The panel will submit five names to the President from which he will select a nominee to fill the vacancy created by the retirement of Francis L. Van Dusen from the U.S. Court of Appeals for the Third Circuit. The President has asked that the candidates recommended be from Pennsylvania.

The members of the panel are:

JOHN J. McLEAN, JR., attorney, Pittsburgh, Pa., chairman;
MADGE BENOVIKZ, president, Pennsylvania League of Women Voters, Kingston, Pa.;
LYNN M. HASKIN, president, Women in Communication, Landsdowne, Pa.;
BERNARD HELLRING, attorney, Newark, N.J.;
BETTY HOGAN, consultant, A. Phillip Randolph Institute, Camden, N.J.;
LEON KATZ, attorney, Philadelphia, Pa.;
BARBARA MATHER, attorney, Philadelphia, Pa.;
ARLEN MEKLER, attorney, Wilmington, Del.;
MARY SULLIVAN, director, Haug Die Casting Corp., Jenkintown, Pa.;
STANLEY VAN NESS, director, New Jersey Public Defender, Trenton, N.J.;
T. GIRARD WHARTON, attorney, Somerville, N.J.

Community Services Administration

Nomination of William W. Allison To Be Deputy Director. June 3, 1977

The President today announced that he will nominate William W. Allison, of Atlanta, Ga., to be Deputy Director of the Community Services Administration. Alli-

son is executive administrator of Economic Opportunity Atlanta, a community action agency serving Atlanta and four adjacent counties.

Allison was born September 10, 1933, in Nashville, Tenn. He received a B.A. degree from DePauw University in 1958 and an M.P.A. from the University of Pittsburgh in 1966.

From 1958 to 1961, Allison was an instructor and chairman of the American School at the University of the Philippines, and from 1961 to 1963 he was a research assistant at the university. From 1964 to 1965, he was associate director of the American Friends Service Committee in High Point, N.C.

In 1965 Allison was director of program development for the Community Council of the Atlanta Area, Inc. During the summer of 1966, he was community involvement coordinator for Morehouse and Spelman Colleges in Atlanta.

Allison has been with Economic Opportunity Atlanta since 1966, as associate administrator of program development and planning from 1966 to 1968, deputy administrator in 1968 and 1969, and executive administrator since 1969.

Department of State

Nomination of Richard M. Moose To Be an Assistant Secretary. June 3, 1977

The President today announced that he will nominate Richard M. Moose, of Heber Springs, Ark., to be Assistant Secretary of State for African Affairs. Moose is presently Deputy Under Secretary of State for Management.

He was born February 27, 1932, in Little Rock, Ark. He received a B.A. in 1953 from Hendrix College and an M.A. in 1954 from Columbia University.

In 1956 and 1957, Moose was a training officer at the Foreign Service Institute. He was 3d Secretary, Vice Consul, in Mexico City from 1957 to 1960, and 2d Secretary, Vice Counsel, in Yaounde, Cameroon, from 1960 to 1962. From 1962 to 1965, he was a foreign affairs officer at the State Department, and in 1965 he was a congressional fellow of the American Political Science Association.

From 1966 to 1967, Moose was with the National Security Council and from 1968 to 1969, he was with the Institute for Defense Analysis. During 1969 he was staff secretary for the National Security Council.

From 1969 to 1976, Moose was staff associate at the U.S. Senate Committee on Foreign Relations. Since 1977, he has been Deputy Under Secretary of State for Management.

Department of Justice

Nomination of M. Carr Ferguson To Be Assistant Attorney General. June 3, 1977

The President today announced that he will nominate M. Carr Ferguson, of New York, N.Y., to be Assistant Attorney General. Ferguson is a professor of law at New York University School of Law, and counsel for the law firm of Wachtell, Lipton, Rosen & Katz, in New York.

He was born February 10, 1931, in Washington, D.C. He received a B.A. in 1952 and an LL.B. in 1954 from Cornell University, and an LL.M. from New York University in 1960.

From 1954 to 1959, Ferguson was a trial attorney in the Tax Division at the Department of Justice. From 1960 to 1962, he was an assistant professor of law at the University of Iowa. He has been at

N.Y.U. since 1962 and with Wachtell, Lipton, Rosen & Katz since 1968.

United States Circuit Judge Nominating Panel for the Tenth Circuit

***Appointment of the Members of the
Panel. June 3, 1977***

The President today announced the membership of the United States Circuit Judge Nominating Panel for the Tenth Circuit.

The panel will submit a list of five names to the President for each of two vacancies, from which he will select a nominee. For the vacancy created by the retirement of Delmas C. Hill, the President has requested that the panel consider persons from Kansas; for the vacancy created by the prospective retirement of David T. Lewis, he has asked that persons recommended be from Utah.

The members of the panel are:

ALFRED M. PENCE, Laramie, Wyo., attorney, chairman;
ANNE K. BINGAMAN, Santa Fe, N. Mex., attorney;
PATRICIA BOOTH, Denver, Colo., active in local civic affairs;
RICHARD COULSON, Oklahoma City, Okla., instructor, Oklahoma City Law School;
CARL S. HAWKINS, Provo, Utah, professor, Brigham Young Law School;
JOSEPHINE W. HEATH, Boulder, Colo., active in local civic affairs;
RICHARD HUGHES, Tulsa, Okla., chairman of the board, Florafax International, Inc.;
KARLIN LAWING, Wichita, Kans., attorney, instructor of American government, Wichita State University;
DONALD R. NEWKIRK, Wichita, Kans., attorney;
DONALD PACHECO, Denver, Colo., attorney, professor, Denver University School of Law;
JEAN SHUMWAY, Oklahoma City, Okla., State Highway Department.

United States-Romania Trade Agreement

Message to the Congress. June 2, 1977

To the Congress of the United States:

In accordance with section 402(d)(5), of the Trade Act of 1974, I transmit herewith my recommendation that the authority to waive subsections (a) and (b) of section 402 be extended for a further period of twelve months.

This recommendation sets forth the reasons for extending waiver authority and for my determination relating to continuation of the waiver applicable to the Socialist Republic of Romania, as called for by subsections (d)(5)(b) and (d)(5)(c) of section 402.

I include, as part of this recommendation, my determinations that further extension of the waiver authority, and continuation of the waiver applicable to the Socialist Republic of Romania, will substantially promote the objectives of this section.

JIMMY CARTER

The White House,
June 2, 1977.

RECOMMENDATION FOR EXTENSION OF WAIVER AUTHORITY

Pursuant to section 402(d)(5) of the Trade Act of 1974, (hereinafter referred to as "the Act") I have today determined that further extension of the waiver authority granted by section 402(c) of the Act, and continuation of the waiver extended by Executive Order 11854 of April 24, 1975 currently applicable to the Socialist Republic of Romania pursuant to section 402(c)(1) of the Act, will substantially promote the objectives of section 402 of the Act.

Further extension of the waiver authority conferred by Section 402(c) of the

Act will enable us to continue to expand and improve bilateral relations with countries subject to subsection 402(b) of the Act, which I believe to be in the national interest. In the case of Romania, the extension would permit continuation of the U.S.-Romanian Trade Agreement of 1975.

I am convinced that continuation of the U.S.-Romanian Trade Agreement will serve to further promote mutually beneficial growth in two-way trade between the United States and Romania and will buttress the favorable political relations between our countries.

The reasons for retaining good commercial and political relations with Romania remain as valid as in the past. Such relations have contributed to a continuation and strengthening of Romania's independent policies, many of which have proven beneficial to U.S. foreign policy interests. Romania has continued to pursue friendly relations with countries of differing political and economic systems—with the United States, the People's Republic of China, the developing world, and with Israel as well as Arab countries. Romania's participation in international organizations, including the IMF and World Bank, shows a high degree of independence in economic matters that parallels its relative political independence. More than half of Romania's trade is with noncommunist countries, and it is taking part in the Multilateral Trade Negotiations as a GATT Contracting Party.

I believe that a further expansion of U.S.-Romanian economic relations can help to promote a continuation of such independent policies and that the Trade Agreement, nondiscriminatory tariff treatment and authority to extend Commodity Credit Corporation and Export-Import Bank credits are essential to maintain

and expand our present overall bilateral relationship with Romania.

Such an expanded bilateral relationship will also improve the prospects for continued American access to Romanian leaders and will enhance our ability to discuss frankly and, judging from past contacts, fruitfully, such important and sensitive subjects as emigration, divided families and marriage cases.

Emigration from Romania to the U.S. has kept up this past year at about the same pace as during the preceding year on which the previous favorable Presidential recommendation was based. Romanian performance with regard to emigration to Israel has been somewhat inconsistent and uneven, but overall emigration has risen markedly since implementation of the U.S.-Romanian Trade Agreement. Extending the waiver authority for Romania should provide an incentive to bring about a more consistent and forthcoming performance on emigration by Romania. For my Administration's part, we intend to monitor closely compliance with the objectives of section 402, and should performance not accord with the intent of this provision, I would want to reconsider my recommendation; moreover, we will bring to the attention of the Romanian Government any actions or emigration trends which do not seem to conform to the assurances which they have provided in the past to treat emigration matters in a humanitarian manner.

Taking account of all factors, however, I recommend to the Congress, pursuant to subsection 402(d) (5) of the Act, that the waiver authority granted by subsection (c) of section 402 of the Act be further extended for a period of twelve months.

NOTE: The text of the message was released on June 3.

United States-Romania Trade Agreement

Memorandum for the Secretary of State. June 2, 1977

Presidential Determination No. 77-14

Memorandum for the Secretary of State

Subject: Determination Under Section 402(d) (1) of the Trade Act of 1974

Pursuant to the authority vested in me by the Trade Act of 1974 (Public Law 93-618, January 3, 1975; 88 Stat. 1978; hereinafter called the Act), I hereby determine, pursuant to section 402(d) (5) of the Act, that the further extension of the waiver authority granted by subsection (c) will substantially promote the objectives of section 402 of the Act. I further determine, pursuant to subsection (d) (5) (c) of section 402 of the Act, that continuation of the waiver applicable to the Socialist Republic of Romania will substantially promote the objectives of section 402.

This determination shall be published in the FEDERAL REGISTER.

JIMMY CARTER

NOTE: The text of the memorandum was released on June 3.

Nonnuclear Programs of the Energy Research and Development Administration

Statement on Signing S. 36 Into Law. June 3, 1977

I am pleased to sign S. 36, a bill which will authorize \$1.639 billion for the Energy Research and Development Administration's nonnuclear programs in fiscal year 1977.

There are, however, two programs authorized in S. 36 which cause me some concern.

The National Energy Plan stated my belief that we should avoid Federal subsidy of existing energy technologies. I believe that our energy research and development dollars should be spent on technologies which are not yet demonstrated rather than on projects or technologies which have been shown to be successful at a commercial or near commercial scale. In the important area of using municipal waste to generate power or fuel, we have already had five federally assisted demonstration projects. Several other facilities of this type have been brought on line without any Federal support. I seriously question the need for price supports for these types of facilities since a significant body of experience and demonstrated technology is already available.

My second concern is with the timing and scope of the Energy Extension Service program. While I applaud the Congress for its prodding in developing the energy extension service concept and see considerable merit in such a program, I am concerned that we not move into a full-scale, nationwide program before we have had a chance to evaluate and learn from the pilot program which is now underway.

We are receiving preliminary results from the four pilot projects now in operation and are learning that some types of programs work better than others. Before we ask the States to use their scarce staff and fiscal resources to develop plans for these programs, I feel we should be sure that the requirements for these plans are as well designed as possible. My energy adviser will be working with the Congress

and the relevant committees to try to revise the timetable for full-scale implementation of the extension service concept in order that the program we develop is one which is most responsive to our State and local as well as national energy needs.

NOTE: As enacted, S. 36 is Public Law 95-39, approved June 3.

Digest of Other White House Announcements

The following listing includes the President's daily schedule and other items of general interest as announced by the White House Press Office during the period covered by this issue. Events and announcements printed elsewhere in the issue are not included.

May 31

The President returned to the White House following a Memorial Day weekend visit to Georgia and Florida.

June 1

The President met at the White House with:

- Zbigniew Brzezinski, Assistant to the President for National Security Affairs;
- senior White House staff members;
- Col. Leonard J. Riley, Commander of the White House Communications Agency;
- Edmund D. Edelman, member of the Los Angeles County Board of Supervisors;
- Representative Butler Derrick of South Carolina;
- Charles L. Schultze, Chairman of the Council of Economic Advisers;
- Thomas P. O'Neill, Jr., Speaker of the House of Representatives.

June 2

The President met at the White House with:

- Dr. Brzezinski;
- members of the Energy and Power Subcommittee of the House Interstate and Foreign Commerce Committee;
- Secretary of the Interior Cecil D. Andrus and a group of Congressmen, to discuss national minerals policy;
- Assistant to the President James R. Schlesinger, from whom the President had requested a briefing on the latest advances and prospects in research and development operations in the energy field;
- Representative Fernand J. St Germain of Rhode Island;
- Bert Lance, Director of the Office of Management and Budget;
- a group of administration officials to review the budget for fiscal year 1979;
- Secretary of Defense Harold Brown.

The President declared a major disaster for the State of Georgia because of damage to shrimp resources as a result of severe cold weather beginning about January 14, 1977, which adversely impacted on the shrimping industry and resulted in substantial unemployment in shrimping related businesses. The President's action will permit the use of Federal funds in relief and recovery efforts in designated areas of the State during the period May 13–September 13, 1977.

June 3

The President met at the White House with:

- Dr. Brzezinski;
- members of the House Ways and Means Committee;

Administration of Jimmy Carter, 1977

- a group of administration officials to review the budget for fiscal year 1979;
- Don Ladd, Lee Roderick, Thomas Daniels and Dale Ensign of the Church of Jesus Christ of Latter-day Saints;
- Vice President Walter F. Mondale, Adm. Stansfield Turner, Director of Central Intelligence, and Dr. Brzezinski;
- Representative Ronald V. Dellums of California;
- a group of administration officials for further discussions of the budget for fiscal year 1979.

The President has appointed Henry Ford as U.S. National Chairman for United Nations Day 1977.

NOMINATIONS SUBMITTED TO THE SENATE

The following list does not include promotions of members of the Uniformed Services, nominations to the Service Academies, or nominations of Foreign Service officers.

Submitted June 2, 1977

THOMAS CASH JORLING, of Massachusetts, to be an Assistant Administrator of the Environmental Protection Agency, vice Andrew W. Breidenbach, resigning.

Submitted June 3, 1977

RICHARD M. MOOSE, of Arkansas, to be an Assistant Secretary of State.

WILLIAM WHITAKER ALLISON, of Georgia, to be Deputy Director of the Community Services Administration, vice Robert C. Chase, resigned.

M. CARR FERGUSON, of New York, to be an Assistant Attorney General, vice Scott P. Crampton, resigned.

RICHARD BLUMENTHAL, of Connecticut, to be United States Attorney for the District of Connecticut for the term of 4 years, vice Peter C. Dorsey, resigning.

JESSE ROSCOE BROOKS, of Alabama, to be United States Attorney for the Northern District of Alabama for the term of 4 years, vice Wayman G. Sherrer, resigning.

NOMINATIONS—Continued

Submitted June 3—Continued

JAMES R. BURGESS, JR., of Illinois, to be United States Attorney for the Eastern District of Illinois for the term of 4 years, vice Henry A. Schwartz, deceased.

PATRICK H. MOLLOY, of Kentucky, to be United States Attorney for the Eastern District of Kentucky for the term of 4 years, vice Eldon L. Webb, resigning.

JAMES C. MURPHY, JR., of Georgia, to be United States Marshal for the Southern District of Georgia for the term of 4 years, vice William M. Johnson.

CHECKLIST OF WHITE HOUSE PRESS RELEASES

The following releases of the Office of the White House Press Secretary, distributed during the period covered by this issue, are not included in the issue.

Released May 27, 1977

News conference: on the President's cruise on the nuclear submarine U.S.S. *Los Angeles*—by Rex Granum, Deputy Press Secretary to the President

Released May 28, 1977

Remarks: aboard the U.S.S. *Los Angeles* on May 27, 1977—by Adm. Hyman G. Rickover, Director, Division of Naval Reactors, Energy Research and Development Administration

Released June 2, 1977

News conference: on the meeting of the Presidential Task Force on the District of Columbia—by Martha M. Mitchell, Special Assistant to the President for Special Projects

Released June 3, 1977

Biographical data: Richard Blumenthal, the President's nominee to be U.S. Attorney for the District of Connecticut; Jesse R. Brooks, the President's nominee to be U.S. Attorney for the Northern District of Alabama; James R. Burgess, Jr., the President's nominee to be U.S. Attorney for the Eastern District of Illinois; Patrick H. Molloy, the President's nominee to be U.S. Attorney for the Eastern District of Kentucky; and James C. Murphy, Jr., the President's nominee to be U.S. Marshal for the Southern District of Georgia

Administration of Jimmy Carter, 1977

**ACTS APPROVED BY
THE PRESIDENT**

Approved June 1, 1977

- H.R. 3662----- Public Law 95-35
An act granting the consent of Congress to the Mississippi-Louisiana Bridge construction compact.
- H.R. 6401----- Public Law 95-36
An act to authorize appropriations for the administration of the Deepwater Port Act of 1974.
- S. 853----- Public Law 95-37
Defense Production Act Extension Amendments of 1977.
- S. 1443----- Public Law 95-38
An act to amend the Privacy Act of 1974 to extend the life of the Privacy Protection Study Commission to September 30, 1977.

ACTS APPROVED—Continued

Approved June 3, 1977

- H.R. 3437----- Public Law 95-40
An act to make certain technical and miscellaneous amendments to provisions relating to vocational education contained in the Education Amendments of 1976.
- S. 36----- Public Law 95-39
An act to authorize appropriations to the Energy Research and Development Administration in accordance with section 261 of the Atomic Energy Act of 1954, as amended, section 305 of the Energy Reorganization Act of 1974, and section 16 of the Federal Nonnuclear Energy Research and Development Act of 1974, and for other purposes.

PRESIDENTIAL DOCUMENTS

Week Ending Friday, June 10, 1977

Capitol Page School

*Remarks and a Question-and-Answer Session
With Members of the Graduating
Class. June 6, 1977*

THE PRESIDENT. Thank you very much. Now I want you to go back and make sure that the Members of Congress welcome me that way. [Laughter]

I'm very proud of you. I've had my staff instruct me on what you have done, what you have learned, your own individual background and achievements, the relationships with your family and with one another, and the history of the graduates of the Page School and what you've accomplished.

I'm very proud to be partners with you in trying to make our Government a better one. I spent a lot of my time studying the Congress. [Laughter] And I must say that so far I've been very pleased, as I know you have. There are a lot of news articles and reports that come out about the conflict and disappointments and so forth, but we've not failed in any item so far in working harmoniously with the Congress and constructively with the Congress.

Everything that we proposed so far has been dealt with fairly and objectively. I think in some instances when the Congress has changed a proposal that I've

made it's been for the better, and I have a good relationship with them. I hope we can continue this.

I thought perhaps this morning since we only have about 5 minutes or so that you might have some questions that you'd like to ask me, rather than listening to a speech. And since you've had a chance to relate to the Members of Congress, perhaps a couple of questions, and I'll try to be brief in my answers.

Does anyone have a question? Do you have one?

THE FIRST FAMILY AND WASHINGTON

Q. How do you like Washington, D.C.?

THE PRESIDENT. That's a good question. We like it very much. We've had a chance to bring our family together here in Washington. As you know, for 2 years or more we went in different directions—11 of us campaigned simultaneously.

Amy likes very much the public school system. She's got a lot of close friends, and one of her best friends is the daughter of a janitor in one of the embassies, and she comes and visits Amy. But she has a good relationship.

Jeffrey and Annette are now in the Yucatan Peninsula in Mexico. They'll be working there in Honduras and Guatemala in archaeology. He's a student at George Washington University in archaeology.

Chip and Caron left this morning to go and represent me in England at the Queen's Jubilee. As you know, she was nice enough to come over here last year on our own celebration of independence from Great Britain, from the United Kingdom, and they particularly asked me when I was in London to send some member of my family to participate in this week's ceremonies.

And as you know, my wife is now in Brasilia, in Brazil. She was in Peru yesterday and part of that was in Ecuador, Costa Rica, and Jamaica.

She'll leave Brazil after 2 or 3 days of work with the Brazilian Government and visit Colombia and Venezuela before she comes back next week.

This is one of the rare times when our family has been divided into so many geographical regions.

But I've liked Washington very much. It's my first job with the Federal Government—[*laughter*]—since I got out of the Navy in 1953. But the living conditions here are very good. [*Laughter*] It's not far to my office. And I've had a good working relationship with the people who share with me the Government. It's been pleasant.

We like Washington as a city. I think the whole family does.

AMY CARTER

Q. Mr. President, from what you know about the pages that you've learned, would you like your daughter, Amy, to try it for one summer maybe?

THE PRESIDENT. Yes, I'd like very much for her to do that. I used to have that aspiration myself, and I never was able to be accepted. I finally had to settle for an appointment to the Naval Academy from my Congressman. But it took me a long time. I think it would be very good for Amy, and I would like very much for her to do that some day.

GOVERNMENT SPENDING

Q. Do you expect to cut down on Government spending in the short time that you're in office?

THE PRESIDENT. It's hard to cut back on spending compared to what we are spending now, because there's an inevitable growth because of inflation and increasing demands from Government. But I hope to have a much more effective way to spend the money that we do have available.

We are now considering five or six major programs, as you know. We've already made a recommendation to the Congress on social security reform and on energy. We have still upcoming major proposals in, say, welfare and taxation. And all these items, including health care, for next year directly impact on the amount of money that is spent.

I have deliberately imposed some very strict discipline in this reform effort. We may increase total expenditures in the welfare field, but the proposal that we evolve is designed not to increase spending, but to see if we had the same amount of money to spend as was projected, how we could spend it better.

I think there will be some growth in total expenditures, which is inevitable. My only hope is that the money that is spent will be spent most effectively.

ABORTION

Q. Do you think we'll soon have a right-to-life amendment?

THE PRESIDENT. I don't know. That's something that addresses itself to the Congress. My own hope as a President is to do everything I can within my own legal capability to hold down the number of abortions that are needed and which take place in our country. As you know, constitutional amendments don't address themselves to the President directly, but

I'll do everything I can to minimize the need for abortions.

Q. Thank you for the certificates. They're beautiful.

THE PRESIDENT. Very good. Thank you.

RELATIONSHIP WITH CONGRESSIONAL
LEADERS

Q. Mr. President, how do you view your relationship with the leaders up on the Hill, such as the Speaker, Tip O'Neill, and Senator Byrd?

THE PRESIDENT. I don't think they could be any better. This past week, for instance, Tip O'Neill came over and had supper with me, and we spent several hours just talking about matters that relate to politics and Government, specific legislation, committee relationships. And I have an equally good relationship with Majority Leader Byrd, who has been over with his wife to eat supper with me.

But in addition to that, I've tried to schedule as frequently as I could meetings with individual Members of Congress. I have two more 50-Congresspersons meetings here at the White House. I meet with them 50 at a time in this room, as a matter of fact, and I spend about an hour just answering their questions.

In addition to that, this past week alone I met with the Commerce Subcommittee under John Dingell, who are now marking up the energy bill, and I think Friday morning met with the Ways and Means Committee under Chairman Ullman.

Wednesday morning of this week I'll be meeting with about 30 key Members of Congress who are interested in foreign affairs. And I'll try to spell out in an hour-and-a-half session with them, a private session, my own hopes and concerns about international matters.

As you know, before Cy Vance got to Europe to meet with Gromyko on SALT, I had the key Members of the Senate

who'll have to ratify an ultimate SALT agreement over and gave them our position.

So, I think that this relationship has been good. It's a new era, really, in prior consultation with Congress. It's been absent for many years. And I hope to continue that. It's been very beneficial to me.

LIFE IN THE WHITE HOUSE

Q. What was one of the adjustments you and your family had to make in moving into the White House?

THE PRESIDENT. It's hard for me to compare that with the previous 2 years because it was just completely different. I never saw any of them except just rarely on the weekends, even my wife. But when we were in the Governor's Mansion in Georgia from 1971 through 1974, we did have a close family relationship.

My family members are very close to one another. We have strong, hard, tough constant debates about domestic and foreign affairs, about politics and government, and we've had this ever since I can remember.

I think it's accurate to say without being excessively proud that I can send Chip to India to represent me when the President of India dies, or send Chip to Buffalo, New York, when the snow is 7 or 8 feet deep and they need some presence from me, or send him to China with a congressional delegation, or send him to represent me at the Queen's Silver Jubilee celebration with no fear that he will make a mistake and no doubt that he understands the attitudes and the hopes and dreams and aspirations of the American people. I feel the same way about my wife and about my other children.

The fact that we did campaign at the grassroots level for 2 solid years and answered thousands and thousands and thousands of questions, makes us have a unity of understanding and spirit that

stands me in good stead. Just getting my family back together in what you might call a collegial atmosphere has been very beneficial to me.

So, that's a dramatic change from the campaign period, but it's very similar to what we experienced when we first moved into the Governor's Mansion.

Maybe one more question and then I'll let you go.

AMY CARTER

Q. How does Amy feel about you being President and living in the White House?

THE PRESIDENT. The question was, how does Amy feel about my being President and living in the White House? Amy would rather live in Plains. [*Laughter*] If Amy has the option of going to the beach, going to the circus, going to the fair, going on a vacation, going to a movie, or going to Plains, she'd rather go to Plains. She really feels strongly about this.

But she's a well-adjusted child. Amy was only 2 years old when I ran for Governor and she was only 3 years old when we moved into the Governor's mansion. So she's resilient, she's strong-willed, but a very well-behaved child. She's not spoiled. She studies all the time. She reads constantly, as you may have read in the newspaper, and I never have discouraged that.

When Amy and I are alone together, which we have been this past week with my wife gone, we have a very entertaining, almost adult-level conversation at the supper table. But when other members are there to substitute for Amy, she reads while we eat.

But I have to admit that when I grew up, as a child, when I was Amy's age, I did the same thing. My mother always read at the meal table, so did I, and so did my sisters, so did my brother, Billy. So does my daughter, Amy. And we don't consider it to be rude, but we have plenty of time left over for conversation.

But Amy, I think, likes the life here in the White House, although she misses her own relatives, particularly, and friends. And when Amy was questioned about whether she wanted me to be elected or to lose last year, she said she'd rather that I lose—[*laughter*—so that I would move back to Plains. But I think her concern about moving to a strange city, Washington, D.C.—those concerns have not materialized, and she likes Washington very much.

As you know, she goes to one of the public schools nearby, the Stevens School. All of her classmates have been out here to the mansion to play with Amy's dog, Grits, who's now in obedience school—[*laughter*—and to climb up in the treehouse and to meet Misty, her cat, and they go to movies and things together.

She saw "Star Wars" last night without me, and I was really aggravated with her because she didn't take me to the movie.

But she's had a chance to visit a lot of places around Washington, and I think in balance now she likes it here very much. The only thing, as I say for the third time, that she would rather be doing than have me be President, living in the White House, is to have me be a farmer and living in Plains.

Thank you. I'm glad to be with you.

NOTE: The President spoke at 11:55 a.m. in the State Dining Room at the White House.

Agency for International Development

Nomination of Joseph C. Wheeler To Be an Assistant Administrator. June 6, 1977

The President today announced that he will nominate Joseph C. Wheeler, of McLean, Va., to be Assistant Administrator of the Agency for International Development (Near East). Wheeler is

Mission Director in Islamabad, Pakistan, for AID.

He was born November 21, 1926, in Concord, Mass. He received a B.A. from Bowdoin College in 1948 and an M.P.A. from the Graduate Institute of International Studies at Harvard University in 1951.

From 1951 to 1954, he was an administrative assistant in the Technical Cooperation Administration at the State Department. From 1954 to 1956, he was an international trade and development economist in the Office of European Affairs at the International Cooperation Administration (ICA), a predecessor agency of AID.

Wheeler was an international relations officer on the India desk in the Office of Near East and South Asia at ICA from 1956 to 1959 and an international cooperation officer on the Greece and Turkey desks in that office from 1959 to 1961.

Wheeler was Assistant Associate Director/International Relations Officer for the Peace Corps in Washington from 1961 to 1963. From 1963 to 1965, he was Director of the Office of Greece, Turkey, Iran, Cyprus, and CENTO Affairs at AID.

From 1965 to 1967, Wheeler was Director of USAID/Jordan, and from 1967 to 1969, he was Deputy Assistant Administrator in the Office of the Assistant Administrator, Near East and South Asia, at AID. Since 1969 he has been Director of USAID/Pakistan.

Department of Labor

***Nomination of Roland R. Mora To Be a
Deputy Assistant Secretary. June 6, 1977***

The President today announced that he will nominate Roland R. Mora, of

Mission Viejo, Calif., to be Deputy Assistant Secretary of Labor for Veterans' Employment. Mora is a consultant to the Secretary of Labor on veterans affairs.

Mora was born March 26, 1938, in Albuquerque, N. Mex. He received a B.A. in international relations from the University of Southern California in 1961.

He served in the U.S. Marine Corps from 1961 to 1969, as regimental intelligence officer of the 3d Marines in Vietnam in 1964-65. Between 1965 and 1967, he served as a line company commander with the 2d Marines at Camp Lejeune, N.C., and with the 2d Medical Battalion as company commander of Headquarters and Service Company and marine adviser to the naval commanding officer.

Between 1967 and 1969, Mora served with the Marines in Washington, D.C., as assistant operations officer of Headquarters Battalion and subsequently as commanding officer of Headquarters and Service Company. He retired, disabled, as a captain in 1969.

From 1971 to 1976, Mora was general manager of Moraco Investment Co. He was also a worker and organizer for the United Farm Workers from 1974 to 1976 and a precinct organizer for Father Boyle's campaign for the California Assembly in 1974.

Mora worked on the Carter Presidential campaign in 1976, in the California campaign during the primaries, and on the national advance staff during the general campaign. In 1977 he worked as a special assistant to the Secretary of the Air Force at the Board for Correction of Military Records.

From 1970 to 1976, Mora was a counselor, adviser, and lecturer on alcoholism and drug abuse rehabilitation panels at youth groups, hospitals, prisons, and halfway houses. From 1974 to 1976, he was liaison/adviser to the U.S. Navy Physical Fitness Program.

United States-United Kingdom Taxation Convention

*Message to the Senate Transmitting a
Protocol. June 6, 1977*

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the Protocol signed at London on March 31, 1977, amending the Convention between the United States of America and the United Kingdom for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income, signed at London on December 31, 1975, as amended by Notes exchanged at London on April 13, 1976, and by the Protocol signed at London on August 26, 1976. For the information of the Senate, I also transmit the report of the Department of State with respect to the Protocol.

The Convention, along with the amending Notes and the two Protocols, will effect important and necessary improvements in the imposition of taxes on individuals and corporations falling under both the United States and the United Kingdom taxation systems.

I urge the Senate to give early consideration and its advice and consent to ratification of this Protocol, as well as the Convention, the exchange of Notes, and the Protocol signed on August 26, 1976.

JIMMY CARTER

The White House,

June 6, 1977.

NOTE: The message was not issued in the form of a White House press release.

Federal Council on the Aging

*Designation of Nelson Cruikshank as
Chairman of the Council and Appointment
as Counsellor to the President. June 6, 1977*

The President today announced that he will designate Nelson Cruikshank as

Chairman of the Federal Council on the Aging. Cruikshank's designation was announced by the Vice President in a speech to the Council's biennial legislative conference this afternoon. Cruikshank will also be appointed Counsellor to the President. He is presently a member of the Council and president of the National Council of Senior Citizens.

Cruikshank was born June 21, 1902, in Bradner, Ohio. He received an A.B. from Ohio Wesleyan University in 1925 and an M.Div. from Union Theological Seminary in 1929.

From 1930 to 1933, Cruikshank directed the relief program of the Brooklyn (New York) Federation of Churches. From 1933 to 1935, he directed the Workers Education Program of the New Haven, Connecticut Central Labor Union at Yale University, and organized for the AFL in Connecticut. He directed the WPA Workers Education Program at New York University in 1935-36.

Cruikshank worked in labor relations for the Farm Security Administration from 1937 to 1942, serving as director of the Migratory Labor Camp Program from 1940 to 1942. In 1943 and 1944, he was executive assistant to the labor members of the Management-Labor Advisory Committee of the War Manpower Commission, and deputy vice chairman of the Commission in charge of labor relations.

From 1944 to 1950, Cruikshank was director of Social Insurance Activities for the ALF. In 1951 and 1952, he was director of the Labor Division Economic Cooperation Administration in Paris, France. He served as director of the Department of Social Security at the AFL-CIO in Washington from 1953 until his retirement in 1965.

Since retirement, Cruikshank has served as a visiting professor at Michigan State University, the University of Michigan, and Pennsylvania State University.

He has been president of the National Council of Senior Citizens since 1969.

Cruikshank was a member of the U.S. delegation to the First General Assembly of UNESCO in 1946 and served on the U.S. National Commission for UNESCO from 1946 to 1950. He was a member of the U.S. delegation to the First General Assembly of WHO in 1948. From 1962 to 1970, he was a member of the ILO's Committee of Experts on Social Security.

In 1976 Cruikshank was cochairman of Senior Citizens for Carter with Miss Lillian Carter. He has been a member of the Federal Council on the Aging since 1974 and is chairman of its Committee on Economics of Aging.

International Bank for Reconstruction and Development

***Nomination of Edward R. Fried To Be United States Executive Director.
June 6, 1977***

The President today announced that he will nominate Edward R. Fried, of Kensington, Md., to be United States Executive Director of the International Bank for Reconstruction and Development. Fried is an economist at the Brookings Institution.

We was born April 13, 1918, in New York, N.Y. He received a B.A. from the University of Michigan in 1941. He served in the U.S. Air Force from 1943 to 1945.

From 1946 to 1954, Fried worked for the Division of Research, Far East, at the State Department, serving as an economist, then assistant chief, then chief of the division. From 1955 to 1960, he was chief of the economic section and deputy principal officer at the American Consulate in Hong Kong.

Fried was Counselor for Economic Affairs at the American Embassy at The Hague from 1960 to 1962. From 1962 to 1965, he was a member of the Policy Planning Council at the State Department with responsibility for foreign economic policy, and in 1964 and 1965, he was Executive Secretary of President Johnson's Committee on U.S. Trade Relations with Eastern European Countries and the Soviet Union.

From 1965 to 1967, Fried was Deputy Assistant Secretary of State for Economic Affairs. From 1967 to 1969, he was a senior staff member of the National Security Council with responsibility for Western Europe and International Affairs. He has been a senior fellow at the Brookings Institution since 1969. From October 1969 to March 1970, he was on leave from the Brookings Institution to serve as Executive Director of President Nixon's Task Force on International Development.

Father's Day, 1977

Proclamation 4505. June 7, 1977

*By the President of the United States
of America*

A Proclamation

A father watches his children grow and shares their joys. He comforts them through the many minor crises that are of enormous significance to a child. But the challenges of raising a child in an increasingly complex and uncertain world require more than just a desire to be a good parent. A father must be ready to supply the love, discipline, security and support from which his children can draw strength—even as he faces his own problems and concerns which are, for a time, beyond their understanding.

In recognition of the contributions of our Nation's fathers, the Congress, by joint resolution of April 24, 1972 (86 Stat. 124, 36 U.S.C. 142a), has designated the third Sunday in June of each year as Father's Day and has requested the President to issue annually a proclamation calling for its appropriate observance.

NOW, THEREFORE, I, JIMMY CARTER, President of the United States of America, do hereby request that Sunday, June 19, 1977, be observed as Father's Day.

I am instructing federal officials to display the flag of the United States on all Government buildings on that day, and I urge all citizens to display the flag at their homes and other suitable places.

I ask all Americans to make a special effort this year to let our Nation's fathers know that they will always have our love and gratitude.

IN WITNESS WHEREOF, I have hereunto set my hand this seventh day of June, in the year of our Lord nineteen hundred seventy-seven, and of the Independence of the United States of America the two hundred and first.

JIMMY CARTER

[Filed with the Office of the Federal Register, 2:59 p.m., June 7, 1977]

Treasurer of the United States

Nomination of Azie T. Morton. June 7, 1977

The President today announced that he will nominate Azie T. Morton, of Annandale, Va., to be Treasurer of the United States. Ms. Morton is staff assistant to the U.S. House District Committee.

She was born February 1, 1936, in Dale, Tex. She received a B.S. from Huston-Tillotson College in 1956.

From 1958 to 1961, Morton was an administrative assistant at the Texas State AFL-CIO, in Austin. She served as an

administrative assistant and community relations specialist for the President's Committee on Equal Employment Opportunity and the President's Committee on Equal Opportunity in Housing from 1961 to 1966.

From 1966 to 1968, Morton was a complaint investigator and conciliator for the U.S. Equal Employment Opportunity Commission. She was director of social services for the Wichita, Kansas, Model Cities Program from 1968 to 1971.

Morton was special assistant to the Chairman of the Democratic National Committee from 1971 until 1977, when she went to work for the House District Committee.

She was a deputy convention manager for the 1976 Democratic National Convention. In 1975 and 1976, she served on the DNC's Compliance Review Commission, and in 1974 she was vice chairperson of the Arrangement Committee and deputy conference manager for the 1974 Democratic Conference on Party Organization in Kansas City.

Agency for International Development

Nomination of Goler T. Butcher and Alexander Shakow To Be Assistant Administrators. June 7, 1977

The President today announced two persons whom he will nominate to be Assistant Administrators of the Agency for International Development (AID). They are Goler T. Butcher, to be Assistant Administrator for Africa, and Alexander Shakow, to be Assistant Administrator for the Bureau for Program and Policy Coordination.

Butcher, of Washington, D.C., was born July 13, 1925, in Philadelphia, Pa. She received an A.B. from the University

of Pennsylvania in 1946, an LL.B. from Howard University in 1957, and an LL.M. from the University of Pennsylvania in 1958.

In 1958 and 1959, Butcher was a law clerk for Judge William Hastie of the Court of Appeals for the Third Circuit. She was an attorney for the Legal Aid Society from 1960 to 1962 and, in 1962 and 1963, worked for the Library of Congress Legislative Reference Service as a legal analyst and fair employment practices counselor.

She was an attorney in the Office of the Legal Adviser at the State Department from 1963 to 1971. From 1971 to 1974, she was consultant and counsel to the Subcommittee on Africa of the House Foreign Affairs Committee. In 1973 and 1974, she was also an adjunct assistant professor of law at Howard University Law School. Since 1974 she has practiced law with White, Fine & Verville in Washington, D.C. She is also a lecturer and writer on U.S. foreign policy toward Africa, human rights concerns, international North/South issues, and international law.

Butcher is a member of the Democratic Foreign Affairs Task Force and cochairman of the Democratic Study Group on Africa, a member of the board of trustees of the Lawyers' Committee for Civil Rights Under Law and a member of the Africa Legal Assistance Subcommittee, a member of the executive board of the American Committee on Africa, and a member of the National Conference of Black Lawyers.

Shakow, of Washington, D.C., was born April 12, 1937, in Boston, Mass. He received a B.A. from Swarthmore College in 1958 and a Ph. D. from the London School of Economics in 1962.

From 1963 to 1965, Shakow was with the Peace Corps in Indonesia, serving as Associate, then Deputy, then Acting Di-

rector, then Director for Indonesia. In 1965 and 1966, he was special assistant for new education programs at the Peace Corps in Washington, D.C.

In 1966 he was Assistant Director for Asia and North Africa in the Office of Training at the Peace Corps. He served as Deputy Director of that office in 1966 and 1967, and as Acting Director in 1967 and 1968. From 1968 to 1972, he was Director of the Office of Indonesian Affairs at AID, and from 1972 to 1974, he was Director of the Office of Development Planning in AID's Bureau for Asia. Since 1974 he has been Deputy Assistant Administrator of AID's Bureau for Program and Policy Coordination.

Regional Commissions

Nomination of the Federal Cochairmen of Eight Regional Commissions. June 7, 1977

The President today announced the persons whom he will nominate as Federal cochairmen of eight regional commissions. They are:

Cristobal P. Aldrete, of McLean, Va., to be Federal Cochairman of the Southwest Border Regional Commission. Aldrete was born January 16, 1924, in Del Rio, Tex. He received an LL.B. from South Texas College of Law in 1951. From 1951 to 1965, Aldrete practiced law in Texas. He was Regional Administrator of Community Action Programs for the Office of Economic Opportunity, in Austin, from 1965 to 1967. He served as special assistant to the Chairman of the Democratic National Committee in 1967 and 1968, and was national executive director of "Viva Humphrey," a campaign appealing to Spanish-speaking Americans, during 1968.

In 1968 Aldrete also served as Assistant Executive Director for Legislative and

Legal Affairs at the Cabinet Committee on Opportunities for the Spanish-Speaking. In 1969 and 1970, he was administrative assistant to Representative Abraham Kazen, Jr., of Texas. He was deputy campaign manager for Lloyd Bentsen's Senate campaign in 1970 and has worked for Senator Bentsen since 1971, as legislative assistant during 1971 and executive assistant since then.

Claud Anderson, of Tallahassee, Fla., to be Federal Cochairman of the Coastal Plains Regional Commission. Anderson was born September 1, 1935, in McCormick, S.C. He received a B.S. (1961), M.S. (1966), and Ph.D. (1970) from Wayne State University. From 1961 to 1970, Anderson was a teacher in the Detroit public school system. He also worked part-time as a counselor at Wayne County Community College from 1967 to 1969 and as an instructor at Highland Park College from 1967 to 1970. In 1967 he served as a research investigator in Detroit under the Safe Street and Crime Act, and in 1968 he was an administrative assistant with the Detroit Police Department. In 1969 he was assistant principal at Moore School for Socially Maladjusted Boys, in Detroit. In 1970-71 Anderson was a professor of educational sociology at Florida A&M University and Florida State University. Since 1971 he has been adviser and education coordinator in the office of the Governor of Florida. Anderson was named Black Educator of the Year by the Black Women's Political Caucus in 1975. He has had several articles published and made numerous speeches on education.

F. Kenneth Baskette, Jr., of Denver, Colo., to be Federal Cochairman of the Four Corners Regional Commission. Baskette was born October 17, 1940, in Alamosa, Colo. He received a B.A. (1963) and M.A. (1968) in political science from

the University of Colorado. In 1968 and 1969, Baskette was a staff analyst for the Colorado Committee on Government Efficiency and Economy. From 1969 to 1971, he was a management analyst for the city and county of Denver. He was executive director of the Colorado Rural Development Commission from 1971 to 1973, and assistant director of the Colorado Division of Planning and coordinator of the Colorado Office of Rural Development from 1973 to 1975. Since that time he has been assistant director of the Department of Local Affairs and coordinator of the Office of Rural Development.

William R. Bechtel, of Madison, Wis., to be Federal Cochairman of the Upper Great Lakes Regional Commission. Bechtel was born September 19, 1923, in Superior, Wis. He received a B.A. from the University of Wisconsin in 1947. Bechtel was a reporter for the Grant County Independent from 1947 to 1950, and for the Milwaukee Journal Reporter from 1950 to 1957. From 1957 to 1963, he was State capitol bureau chief for the Milwaukee Journal. From 1963 to 1969, Bechtel was administrative assistant to U.S. Senator Gaylord Nelson, and from 1969 to 1971 he was staff director of the U.S. Senate Subcommittee on Employment, Manpower and Poverty. Since 1974 he has been secretary of the Wisconsin Department of Local Affairs and Development, and since 1976 he has been executive director of the State Manpower Planning Council.

Patsy Ann Danner, of Kansas City, Mo., to be Federal Cochairman of the Ozarks Regional Commission. Ms. Danner was born January 13, 1934, in Louisville, Ky. She received a B.A. from Missouri State University in 1972. She worked on Jerry Litton's Campaign for Congress in 1972 as Clay County chairman. From 1973 to 1976, she was Litton's district assistant, running his district office and coordinat-

ing the town forum programs. In 1976 Danner ran for the U.S. House of Representatives and finished second in a field of seven. She worked for the Carter campaign in Kentucky in 1976.

J. Joseph Grandmaison, of Nashua, N.H., to be Federal Cochairman of the New England Regional Commission. Grandmaison was born May 19, 1943, in Nashua, N.H. He received a diploma from Burdett College in 1963. From 1961 to 1966, he was assistant credit manager at Sears, Roebuck & Co., in Nashua, and from 1966 to 1971, he was assistant to the president of Consolidated Foods there. In 1971 and 1972, he worked on George McGovern's presidential campaign, directing the New Hampshire primary effort and the New York State campaign during the general election. In 1973 Grandmaison was deputy director of the Democratic Charter Commission, and in 1973 and 1974 he was campaign director for Michael Dukakis' gubernatorial campaign. During 1975 he served as director of Federal-State relations for the Commonwealth of Massachusetts until August, and then as campaign director for John Durkin's senatorial campaign and administrative assistant to Senator Durkin. In early 1976, Grandmaison was a Harvard Fellow at the Kennedy Institute of Politics and a presidential primaries analyst for WBZ-TV in Boston. In the fall of 1976, he was the Democratic nominee for the U.S. House of Representatives for New Hampshire's Second Congressional District.

George D. McCarthy, of Washington, D.C., to be Federal Cochairman of the Old West Regional Commission. McCarthy was born April 3, 1923, in Butte, Mont. He received a B.S. from Montana Tech in 1947. From 1947 to 1961, he was president of McCarthy Engineering Co., and McCarthy War Surplus, Army-Navy

Stores. In 1949 and 1950, he was assistant city engineer in Butte, and from 1950 to 1961, he was county engineer for Silver Bow County, Mont. In 1961 McCarthy was deputy assistant director of the Office of Civil Defense Mobilization, and from 1961 to 1964, he was Director of the National Fallout Shelter Survey of the Office of the Secretary of Defense. From 1964 to 1966, he was Director of the Engineering Services Division in the Office of the Secretary of the Army, and for part of that time he was detailed to the Presidential Task Force on Poverty. From 1966 to 1968, he was Assistant Director for Congressional Relations in the Office of Economic Opportunity. In 1968 and 1969, McCarthy worked on congressional relations for the Department of Transportation. He was Federal/State coordinator in the Office of the Governor of Montana from 1969 to 1972 and Executive Director of the Old West Regional Commission from 1972 to 1973. Since 1973 he has been program coordinator for the Old West Regional Commission.

Patrick J. Vaughan, of Boise, Idaho, to be Federal Cochairman of the Pacific Northwest Regional Commission. Vaughan was born March 17, 1929, in Dodge City, Kans. He received a B.A. from the College of Idaho in 1953 and an M.A. from Boise State University in 1975. From 1953 to 1955, he was a management trainee with the Idaho First National Bank in Boise. From 1955 to 1961, he was city treasurer and purchasing agent for the city of Boise. He served as administrative assistant to the executive secretary of the Idaho Medical Association from 1961 to 1964 and as director of advertising and public relations for Blue Cross of Idaho from 1964 to 1968. From 1968 to 1970, he was administrative assistant to the executive vice president of

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the Idaho Foundation for Medicine and Biology.

Vaughan was director of economic development for the Western Idaho Community Action Agency from 1970 to 1971. From 1971 to 1972, he was program coordinator for the Department of Special Services of the State of Idaho. From 1972 until 1977, he was special assistant to Governor Cecil Andrus, and since 1972 he has been alternate and program director for the Pacific Northwest Regional Commission.

Federal-State Land Use Planning Commission for Alaska

Nomination of Esther C. Wunnicke To Be a Member. June 7, 1977

The President today announced that he will nominate Esther C. Wunnicke of Anchorage, Alaska, to be a member of the Federal-State Land Use Planning Commission for Alaska. Ms. Wunnicke is cocounsel and director of policy at the Federal-State Land Use Planning Commission in Anchorage.

She was born March 15, 1922, in Kline, Colo. She received A.B. and LL.B. degrees from George Washington University and an M. Ed. from Adams State College.

From 1950 to 1956, she was a partner in the law firm of Crane and Koogler in Aztec, N. Mex. She was an instructor at Adams State College from 1957 to 1959 while in the M. Ed. program.

From 1967 to 1971, Wunnicke was an attorney adviser to the Federal Field Committee in Anchorage, and from 1971 to 1972, she was attorney general of the State of Alaska. Since 1972 she has been co-counsel and director of policy at the Federal-State Land Use Commission.

Clean Air Act Amendments

Letter to Senator Edmund S. Muskie. June 8, 1977

To Senator Ed Muskie

The amendments to the Clean Air Act of 1970 which the Senate will soon consider are of critical importance to the success of our public health and environmental programs.

My EPA Administrator, Doug Costle, my Energy Advisor, Jim Schlesinger, and I studied the issues associated with these amendments very carefully before submitting the Administration's recommendations to the Congress last April. We examined the auto emission schedule proposed by Senators Griffin and Riegle, and found it unnecessarily lax from the technology and fuel economy standpoints, and inadequate in view of the need to protect the health of our citizens in urban areas.

More than 96 million people in at least 48 of our cities breathe air which exceeds the federal health-based air quality standards. Asthma, chronic lung disease, respiratory illness, and cardiovascular attacks are among the health impacts which auto pollution can cause. These effects are particularly severe in children and in the elderly. We cannot hope to have a successful public health program in this country without a major effort to reduce pollutant levels in our air.

Fortunately, however, auto emissions are controllable without jeopardizing our ability to meet fuel economy standards, adding substantially to the cost of automobiles, or costing our economy the jobs we so vitally need. While we have made some progress in reducing auto pollution, the technology is available to do better.

The proposal which I submitted to the Congress, like the Committee bill, will require use of emissions clean-up technology which is inherently more efficient than

that being used today. The Griffin-Riegle proposal would encourage continued use of this less efficient technology, thereby compromising our ability to protect public health and achieve our fuel economy goals.

Control of auto pollution also has direct bearing on economic growth and our ability to provide jobs in our cities. Each additional increment of unnecessary pollution—pollution which could be controlled—is wasting those air quality margins which would otherwise be available for development in our urban areas. The unnecessary relaxation of auto emissions standards and clean-up schedule proposed in the Griffin-Riegle amendment would exacerbate the already difficult choices which our cities now face in providing for both economic growth and protection of public health. It would also hinder our program to make increased use of coal.

For these reasons, I remain firmly opposed to the proposal made by Senators Griffin and Riegle.

On another matter, I want to reiterate my support for the Committee's provisions for protection of air quality in areas which are now cleaner than required by the primary ambient air quality standards, particularly our national parks and wilderness areas. As I stated in my Energy and Environmental Messages, we can achieve our energy goals without sacrificing environmental quality. We can build those power plants which are needed without ruining the air quality of our national parks. Amendments such as those offered by Messrs. Breaux and Emery in the House of Representatives defeat the very purpose for which these spectacular natural areas have been set aside. I urge that you and your colleagues oppose any amendments which would weaken our ability to protect these irreplaceable resources.

An identical letter is being sent to Chairman Randolph and Senator Stafford.

Sincerely,

JIMMY CARTER

NOTE: The letter was addressed to Senator Muskie, chairman of the Environmental Pollution Subcommittee of the Senate Committee on Environment and Public Works. Letters were also sent to Senator Jennings Randolph, chairman of the committee, and Senator Robert T. Stafford, ranking minority member.

Board for International Broadcasting

Nomination of John A. Gronouski To Be a Member of the Board. June 8, 1977

The President today announced that he will nominate John A. Gronouski of Texas to be a member of the Board for International Broadcasting. The President also indicated that if confirmed by the Senate, Gronouski would be designated Chairman of the Board. Dr. Gronouski is professor of economics and public affairs at the LBJ School of Public Affairs of the University of Texas at Austin. He organized this school in 1969 and served as its dean until 1974.

Born in Dunbar, Wis., on October 26, 1919, Dr. Gronouski holds a Ph. D. from the University of Wisconsin. Long active in the Democratic Party, he was appointed Postmaster General by President Kennedy and served in that position until November 1965 when President Johnson appointed him Ambassador to Poland. He served in Warsaw until 1968.

The Board for International Broadcasting was established as a result of the recommendations of the Milton Eisenhower Commission which reviewed the mission of Radio Free Europe and Radio Liberty in 1972-73. Dr. Gronouski served as a member of this Commission. The Con-

gress enacted the Commission's recommendations as the International Broadcasting Act of 1973, Public Law 93-129, on October 19, 1973.

The International Broadcasting Act of 1973 set up the Board "to provide an effective instrumentality for the continuation of assistance to Radio Free Europe and Radio Liberty and to encourage a constructive dialog with the peoples of the Union of Soviet Socialist Republics and Eastern Europe." Members of the Board, according to the act, are to be "selected by the President from among Americans distinguished in the fields of foreign policy or mass communications" and may not be concurrently full-time employees of the U.S. Government.

In addition to providing funds for operation of the radios, the Board is required "to assess the quality, effectiveness and professional integrity of their broadcasting within the context of the broad foreign policy objectives of the United States." At the same time it is charged with keeping in mind "the necessity of maintaining the professional independence and integrity" of these stations. In addition to receiving congressionally appropriated funds for the stations, the Board is authorized to receive funds from private sources.

Active in many fields of academic endeavor and public affairs, Dr. Gronouski is married to the former Mary Louise Metz and has two daughters, Stacey and Julie.

Executive Schedule

Executive Order 11995. June 8, 1977

RELATING TO CERTAIN POSITIONS IN LEVEL V OF THE EXECUTIVE SCHEDULE

By virtue of the authority vested in me by Section 5317 of Title 5 of the United

States Code, and as President of the United States of America, Section 2 of Executive Order No. 11861, as amended, placing certain positions in level V of the Executive Schedule, is further amended by adding thereto "(13) Executive Director, Federal Personnel Management Systems Study, United States Civil Service Commission."

JIMMY CARTER

The White House,
June 8, 1977.

[Filed with the Office of the Federal Register,
2:59 p.m., June 8, 1977]

NOTE: The Executive order was not issued in the form of a White House press release.

Presidential Scholars

Remarks to High School Students Selected as Presidential Scholars of 1977. June 9, 1977

THE PRESIDENT. I need to get you to help me with a lot of things. I think I will just substitute you for the Congress. [Laughter]

I spent this morning meeting with 50 Members of Congress, mostly from the Southwest, from Illinois all the way down through Texas. And this morning for breakfast, with the leadership of the Congress, I feel like my life now is one massive multiple choice examination where things are put in front of me and I have to make the difficult decisions.

I'm very grateful to have a chance to come over here for a few minutes to first of all congratulate you, and secondly to call on you for continued help. You've been chosen in an intensely competitive way, based on merit alone. But, of course, with an opportunity that you've had comes commensurate responsibility. The avenue you've enjoyed coming into Government, looking at it from a fresh perspective, is one that's very valuable to me and to our country. And I hope that when

you do go back home that you'll be both incisive, questioning, critical, and, at the same time, constructive.

I believe that our Government is the best on Earth. I believe that our country exemplifies the finest human commitments, ideals, and aspirations. And I think in domestic and foreign matters, we are reestablishing ourselves in the view of the world commensurate with what I've just said.

The ideals that existed 200 years ago are still alive. And whether or not we are dealing with world hunger or basic human rights or freedom or disarmament or peace or an end of nuclear proliferation, these questions are a combination of morality and political practicality. It's very hard to tie these things together, but I think it's crucial for our own Nation's good.

I'm determined that not only should the world think well of us but that our people should think well of our own Government. We've had some serious mistakes in the past, and the mistakes have alienated our people, in some instances legitimately so.

In the Vietnam war, the attacks on Cambodia, the Watergate revelations, the CIA revelations, our country, our Government, our leaders have been embarrassed. You've lived through a time when these crises have afflicted our country, its reputation, and its own consciousness.

Most of you were born perhaps about the time that John Kennedy was killed, and it's hard to remember back in those days when we were filled with idealism and hope and high aspirations and self-confidence that our country did accurately represent what our people are in the finest sense.

But I think together our people can restore those legitimate feelings of quiet pride and confidence, not in an autocratic or abusive way but in a humble way,

seeking constantly to reaffirm what our country ought to be.

I hope that the openness that we try to institute in Government will be constructive. We don't want to conceal any mistakes. We don't want to cover up any improprieties or illegalities. We're eager to root them out. I think this is something with which you can be of great help.

We only have a couple of minutes, but I thought instead of making a further speech, you might have a question or two that I could answer for you.

I'm very proud of you. In the past when I was Governor, I've been very interested in seeing the finest young people of our country come into the government, both in Washington and in our own State, to learn about it and to be intensely critical.

You have an advantage over adults in many ways. You have an idealism that's not been assuaged or tempered, which is good. And you have a fresh approach to questions that causes you to be, perhaps, sometimes even excessively inquisitive and critical. And you also have a freedom that won't last very much longer, to act in an unrestrained way against the status quo.

As you progress a few more years and get a family and get a job and get obligations that cause you to cherish security more than anything else, you lose the unconstrained ability to let your own hearts and your own souls be devoted to necessary change, and particularly young people like you who will inevitably almost enjoy a privileged status in our society. With a higher degree of privilege comes a greater commitment not to change anything. Because with change, your degree of privilege might be diminished.

But I hope that you'll see through government a sense of study and understanding of those who are less fortunate than you and I.

There are literally hundreds of thousands of young people in our country who might be intellectually superior to you and whose aspirations might be higher than your own. But because their parents might be ignorant or because they've grown up in poverty, they haven't had a chance to nourish and to develop those innate talents that they possess. And a feeling of superiority on your part because you have been honored would be a very serious mistake.

Your sense ought to be to delve deeply into the consciousness of our country and to detect those unrealized potentials that exist in those who are not as fortunate as you.

So, I don't think you are better than anybody else. I think you are perhaps luckier because your innate abilities have been recognized and nourished, because of government, because of society, because of your social position, or because of the character and good fortune of your parents.

But don't look on your recognition as superior achievers to be a sense of superiority of yourselves over others. And don't look on your present and future achievement as a means to constrain yourself in seeking beneficial change. Be eager to see our country progress, even though sometimes it might mean that progress gives others equality with you. That's what government ought to impress on every public servant.

And since you are at least a temporary public servant as you have come to government, I hope that you will take home those commitments.

Maybe one or two questions. Yes?

Q. I've noticed that in the early history of the Nation, the Government was a rather small elite with minds of extremely high quality. Since then, I think the Government has become much more egalitarian. But do you think that because of

this egalitarianism, the best minds are unwilling to drag themselves through the mud of an election? No offense to anyone. [*Laughter*]

THE PRESIDENT. I think perhaps with the exception of 1976 and the Presidential election—[*laughter*]——

That's an excellent question. I don't know that we could equate the present level of achievement and idealism and intellect now with 200 years ago. Obviously, Thomas Jefferson and George Washington, Benjamin Franklin, Thomas Paine, and others are revered by us, and legitimately so. But at the same time, you have to realize that later persons who were not considered to be intellectual giants have also been legitimately revered both in and out of government.

I won't go down the list but, obviously, Harry Truman was one of those who was sometimes even despised while he was President. His public approval rating in the national polls was lower than Nixon's was at any time, even including now. Only 23 percent of the people in our country thought Truman did a good job while he was actually in office, after he fired MacArthur and after he initiated aid to Turkey and Greece, and the Marshall Plan, and so forth. Those are controversial things.

So, the measurement of effectiveness of a public servant is not necessarily attributable to an IQ test result. I think the measure is in different ways. But I think to the extent that we can repair the damage that's been done in recent years between people and government, to that extent we can encourage those who are worthy to seek public office.

I'm sure that many of the 15 or 20 other candidates who ran against me for President are as well qualified or better. I don't deny that at all. My own election result was attributable to good fortune. I had 11 members of my family who

worked full time who magnified my presence, and we had literally hundreds of Georgians who left their own home State, working people, who took their vacation time and spent their savings to go to New Hampshire, to go to Wisconsin, to go to Ohio, to go to Florida, to go to North Carolina and work for me. Had I not had this advantage, I would not have won.

But it was an advantage that no other candidate had. And I think careful preparation, deep unswerving determination, and a realization that politics is not dirty, but that it can be clean and a decent profession is one way to remove the obstacle that concerns you.

And I think that in many ways even someone as revered as Thomas Jefferson lacked as much confidence in the average American to make good judgments compared to present public servants.

You have to go back through history and see the remarkable progress that we've made. When the Declaration of Independence was written, when our Constitution was written, one of the firm bases on which it was predicated was slavery. And those people that we admire so much said it's all right to have slaves as long as they are black.

And those early revered leaders said it's all right for men to vote, but women ought not to have a chance to vote. And those early leaders said that Senators ought not to be chosen by common people because their judgment is not good—let's let the members of the State legislature choose United States Senators. And those early leaders said that the young person who was 18 or 19 years old who was able to fight and give his life or her life for our country ought not to have a chance to vote. So, we have made progress in years since our country's founding, of which I'm very proud.

And I think that there's a growing realization that you can have equality of

opportunity and freedom at the same time. Quite often this has been in conflict, as I pointed out many times in the campaign. You can have complete freedom, which means that the powerful become more powerful, the weak become weaker, or you can have a completely egalitarian state where everybody is treated the same and nobody can be sure that their competence or commitment will be rewarded. Our country has struggled to have both at the same time. We haven't always succeeded, but we've moved in that direction.

And I think that some of the points that I've made to you, all of them in our Constitution—I'm not even talking about the civil rights laws and so forth—have been steps in the right direction. So, I think that modern day political figures quite often are just as enlightened, just as intelligent, just as competent, probably have more confidence in the American people than even our early founders of this country.

Maybe one more question. Yes?

Q. Mr. President, many people seem to feel that the development of technology since the industrial revolution has gone sort of hand in hand with the declined concern for human values; sort of that the development of the assembly line, the development of bureaucracy has made people feel more alienated from their Government, from their work, and from each other. How do you feel about that, and how do you think it could be corrected?

THE PRESIDENT. I'm not sure that I agree with your premise. That is always a threat. But I think the early derogation of, say, workers' rights as a result of the industrial revolution brought about by shifting from wood to coal and then later on to oil, has been reversed.

There was a time, as you know, when workers had no rights, when children 8 years old were spending 14 to 16 hours in

sweat shops and when individuality in a working person was not encouraged or permitted. Even when I grew up on a farm there was a common commitment to a 16- or 18-hour working day. And this left no time for the growth and the spirit or the study or the encounter with the arts or sciences or literature on the part of a working class family.

We woke up at 4 o'clock in the morning with the ringing of a farm bell. And we caught the mules and hooked up the plows in the dark. And when the sunlight came enough to see the rows of corn or cotton or peanuts, we started plowing. And this was a common, accepted thing for the family of the landowner or for the tenants or others, and we didn't quit until the sun went down, and it took us that long to get home. So, there was no way for a person to stretch his heart and stretch his mind and learn new things if he or she belonged to a working class family.

So, I think the industrial revolution as it is presently evolving does give the working family now much more recognition with the organization of labor unions, with the cutting down of the workweek to an average now of about 36 hours a week. There's more time to stretch one's mind.

And I think that one of the other great breakthroughs, which I don't use myself, is the observation of television. I don't watch television much myself, but I think that for many people just to see what the outside world is has not only been an educational process but has raised expectations and the concepts of what one could do.

And I know that quite often this creates a disruptive effect when somebody sees families eating rich foods and living in a beautiful house and driving in a fancy automobile. Their expectations are raised above their possibilities of achievement. It creates disharmonies.

But I think the industrial revolution, in general, has been of benefit to the liberation of human beings. And I think some of those things that I described to you about changes in our Constitution are a result of greater awareness and greater demands on the part of people who have previously never spoken out.

To close my answer, I might say that when I went home in 1953 in the winter, I very quickly went on the local school board. And we had separate but so-called equal educational opportunities in the South. They were separate, but they certainly were not equal. The white kids rode to school on buses; the black kids walked. And the white kids had fairly modern buildings; the black kids went to school in basements of homes, on the back porch of private homes, and in dilapidated churches.

But we maintained, even believing it sometimes, a separate-but-equal school system. And the black people in the South didn't feel that they could demand equal rights with impunity. It was only because of the open and heroic expression of demand from people like Martin Luther King, Jr., that the white leaders slowly began to realize how culpable they were, or we were.

So, I think that the nationwide use of the communications media, particularly television, gave, as a result of the industrial revolution, a chance to reach the consciousness of people who otherwise could not have been reached over a period of decades or generations or perhaps even centuries.

One of the things that we hope to do in the developing nations of the world is to provide them access to our communications satellites where they can reach impenetrable areas and bind together people in a common spirit, sometimes a nationalistic spirit, but receive better education and better knowledge. So, in gen-

eral, I think the trend has been for the benefit of working families, even as a result of the industrial revolution. And I have good hopes about the future.

There have been some leaders in our own country who have maintained the posture either secretly or openly that the democratic processes were doomed and in a showdown, 15, 20, 25 years in the future that the Socialist or Communist nations were inevitably going to prevail. I don't agree with that at all. I see a strong resurgence of influence and strength in the democratic societies. I think that one significant result was that when I went to the NATO Conference last month, for the first time in the history of NATO, all its participating members are democracies. And the fact that Spain has now shifted to a democratic society, and Portugal the same, I think is a good move in the right direction.

And so, I think that the trends are in the direction of enhanced freedom, of enhanced opportunity for achievement, and also in the direction of enhanced equality of a quality of life.

Thank you very much.

NOTE: The President spoke at 10:20 a.m. in Room 450 of the Old Executive Office Building.

For a list of the 121 students selected as Presidential Scholars of 1977, see page 725 of this volume.

Department of Agriculture

Nomination of Leland E. Bartelt To Be Administrator of the Federal Grain Inspection Service. June 9, 1977

The President today announced that he will nominate Leland E. Bartelt, of California, to be Administrator of the Federal Grain Inspection Service in the Department of Agriculture. Bartelt is as-

sistant director and chief of the California State Division of Animal Industry, supervising animal, meat, and dairy regulations.

Bartelt was born May 27, 1922, in Byron, Calif. He received a doctorate in veterinary medicine from Iowa State University in 1945.

Bartelt has worked for the California Department of Food and Agriculture since 1945, serving in various administrative positions. From 1969 to 1972, he was an assistant director of the department and chief of its Division of Inspection Services, and since 1972 he has been assistant director and chief of the Division of Animal Industry.

Law Enforcement Assistance Administration

Nomination of John M. Rector To Be Assistant Administrator. June 9, 1977

The President today announced that he will nominate John M. Rector, of Alexandria, Va., to be Assistant Administrator of Law Enforcement Assistance. Rector is staff director and chief counsel of the Subcommittee to Investigate Juvenile Delinquency of the Senate Committee on the Judiciary.

He was born August 15, 1943, in Seattle, Wash. He received a B.A. from the University of California in 1966 and a J.D. from Hastings College of the Law in 1969.

Rector was a trial attorney in 1969 and 1970 and served as a legislative specialist in the Civil Rights Division of the Justice Department in 1970 and 1971. He has been with the Subcommittee to Investigate Juvenile Delinquency since 1971, as deputy chief counsel from 1971 to 1973, and as staff director and chief counsel since 1973.

Department of Health, Education, and Welfare

Nomination of Julius B. Richmond To Be an Assistant Secretary for Health, and Medical Director in the Regular Corps and Surgeon General, Public Health Service. June 9, 1977

The President today announced that he will nominate Julius B. Richmond, of Chestnut Hill, Mass., to be Assistant Secretary of Health, Education, and Welfare (Health). Richmond will also be nominated to be Medical Director in the Regular Corps of the Public Health Service, and Surgeon General of the Public Health Service. He is presently a professor at Harvard Medical School and chairman of the department of preventive and social medicine there; psychiatrist-in-chief at Children's Hospital Medical Center; and director of the Judge Baker Guidance Center in Boston.

Richmond was born September 26, 1916, in Chicago, Ill. He received a B.S. (1937), M.S. in physiology (1939), and M.D. (1939) from the University of Illinois. He did his internship at Cook County Hospital in Chicago and was a pediatric resident there and at Municipal Contagious Disease Hospital in Chicago in 1941 and 1942. He was Chief Flight Surgeon at the Army Air Force Central Instructors School from 1942 to 1946.

Richmond was at the University of Illinois from 1946 to 1953, serving on the faculty of the department of pediatrics as assistant, then associate, then professor, and lecturing at the School of Social Welfare Administration and the Institute for Psychoanalysis.

From 1953 to 1970, Richmond was at the State University of New York College of Medicine at Syracuse. From 1953 to 1965, he was chairman and professor in the department of pediatrics, and from 1965 to 1970, he was dean of the medical

faculty and chairman of the department of pediatrics.

Richmond has been in Boston since 1971, serving as a professor of child psychiatry and human development at Harvard Medical School, professor and chairman of the department of preventive and social medicine at Harvard Medical School, psychiatrist-in-chief of Children's Hospital Medical Center, and director of the Judge Baker Guidance Center.

Richmond is a member of the President's Commission on Mental Health and of the Massachusetts Department of Public Health Advisory Committee on Children.

National Safe Boating Week, 1977

Proclamation 4506. June 9, 1977

*By the President of the United States
of America*

A Proclamation

This year, more Americans than ever before will enjoy the challenges and pleasures of boating on our country's lakes, rivers, and coastal waters. If they take time to learn the fundamentals of boating safety, needless tragedy can be avoided.

In recognition of the growth in recreational boating, and of our continuing need to promote safety on our waterways, the Congress has by joint resolution of June 4, 1958 (72 Stat. 179, 36 U.S.C. 161) requested the President to proclaim the week of July 4 each year as National Safe Boating Week.

NOW, THEREFORE, I, JIMMY CARTER, President of the United States of America, do hereby designate the week beginning July 3, 1977, as National Safe Boating Week.

I urge everyone who participates in boating on American waterways to learn the basic rules of safety. This information is readily available in courses offered by such organizations as the United States Coast Guard Auxiliary, the United States Power Squadrons, the American Red Cross, and by various agencies of state governments.

I also invite the Governors of the States, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, and American Samoa, and the Mayor of the District of Columbia, to provide appropriately for the observance of the Week.

IN WITNESS WHEREOF, I have hereunto set my hand this ninth day of June, in the year of our Lord nineteen hundred seventy-seven, and of the Independence of the United States of America the two hundred and first.

JIMMY CARTER

[Filed with the Office of the Federal Register,
5:05 p.m., June 9, 1977]

Agency for International Development

Nomination of Donald G. MacDonald To Be an Assistant Administrator. June 9, 1977

The President today announced that he will nominate Donald G. MacDonald, of Punta Gorda, Fla., to be Assistant Administrator of the Agency for International Development (AID) (Bureau for Program and Management Services). MacDonald is presently a consultant to AID.

He was born November 18, 1921, in Chicago, Ill. He received a B.A. from Wesleyan University in 1943 and an M.A. from Princeton University in 1948. He served in the U.S. Navy from 1943 to 1946.

From 1947 to 1950, MacDonald was a graduate student and instructor in politics at Princeton University. From 1950 to 1952, he was assistant recording secretary of the U.S. Atomic Energy Commission.

MacDonald joined the Foreign Service in 1952 and worked for AID and its predecessor agencies until 1970, beginning as a management analyst for the Mutual Security Agency, heading U.S. missions in Pakistan, Nigeria, and Vietnam, and spending the last four of those years as director of USAID/Vietnam.

From 1970 to 1974, MacDonald was Assistant Administrator of AID for the Bureau for Asia. In 1975 he was a consultant to the State Department, serving as the senior civil coordinator of the Indochina Refugee Resettlement Center at Fort Chaffee, Ark. Since 1976 he has been a consultant to AID.

MacDonald received a special citation from the people of Arkansas in 1975 and a Presidential Commendation in 1976 for his work with the Indochina Refugee Resettlement Center.

United States Ambassador to Senegal and The Gambia

Nomination of Herman J. Cohen. June 10, 1977

The President today announced that he will nominate Herman J. Cohen, of Brooklyn, N.Y., to be Ambassador Extraordinary and Plenipotentiary of the United States to the Republic of Senegal and to the Republic of The Gambia. Cohen is presently Counselor for Political Affairs at the American Embassy in Paris.

He was born February 10, 1932, in New York, N.Y. He received a B.A. in 1953 from the City College of New York. He

served in the U.S. Army from 1953 to 1955.

From 1955 to 1958, Cohen was consular officer in Paris. He was an information specialist at the State Department from 1958 to 1960 and a labor trainee in 1960 and 1961. In 1961-62 he was detailed to the Foreign Service Institute for Swahili language training.

In 1962 and 1963, Cohen was administrative officer in Kampala. He served as labor officer in Salisbury from 1963 to 1965 and as economic officer in Lusaka from 1965 to 1966. In 1966 and 1967, he was labor officer in Kinshasa.

From 1967 to 1969, Cohen was Political Office, Counselor for Political Affairs, and then Deputy Chief of Mission in Kinshasa. He was an international relations officer at the State Department in 1969 and 1970. From 1970 to 1974, he was country director for Central African Affairs at the Department. Since 1974 he has been Counselor for Political Affairs in Paris.

National Energy Plan

Statement by the White House Press Secretary Following Congressional Actions on Portions of the Plan. June 10, 1977

I have some comments for you from the President with regard to the energy program.

The President feels that we have received good cooperation from the Congress thus far in speeding consideration of the energy program. A number of proposals have been tentatively, at least, approved. He would like to commend the Senate for its actions yesterday on the Clean Air Act.

However, the President is deeply concerned about several recent actions. It is his feeling that despite the efforts of

Chairmen Ullman, Dingell, and others on behalf of the American public, yesterday the oil companies and the automobile companies and their lobbyists won significant preliminary victories.

The President feels that the unnecessary action to deregulate natural gas is particularly serious. That action, if it finally becomes law, will cost the American consumers more than \$80 billion during the next 8 years.

The President considers that action to be a direct and extremely serious deviation from the basic fairness of the energy plan. It is his hope and belief that the full committee—that is, the commerce committee—and the Congress will reverse this action.

He is also deeply concerned about early actions of the House Ways and Means Committee on several important elements of the energy plan.

The President feels that it is important to realize what the stakes are, that the energy proposals are a comprehensive package to help the Nation prepare, with a maximum of foresight and a minimum of dislocation, for inevitable shortages of energy.

The President is eager to work with the Congress, as he has in the past, to develop solutions to this problem. However, it should be noted that both the CBO, Congressional Budget Office, and the GAO [General Accounting Office] have indicated that based on their figures, any changes in the plan should strengthen it. But actions taken yesterday threaten to seriously weaken the overall energy effort.

These last few are the President's words directly: "The people of this country will be the ones to suffer if our hopes for an energy plan are thwarted. They will be the ones who will pay for yesterday's special interest victories."

NOTE: Press Secretary Jody Powell read the statement at his June 10 news conference at the

White House. It was not issued in the form of a White House press release.

District of Columbia Judicial Nominating Panel

Announcement of the Members of the Panel. June 10, 1977

The President today announced the persons who will serve on the Circuit Judge Nominating Panel for the District of Columbia.

The President has signed an Executive order [11993] extending the mandate of this panel so that it will also recommend nominees for the District Court. The first vacancy for which the panel will submit recommendations is the one on the U.S. District Court for the District of Columbia created by the retirement of William B. Jones. The panel will submit, within 60 days, five names from which the President may select a nominee.

The President has also signed an Executive order [11992] establishing a Committee on Selection of Federal Judicial Officers, which would recommend candidates for vacancies on courts other than Circuit Courts or District Courts, such as the Court of Claims and the Court of Customs and Patent Appeals.

The following persons were appointed to the District of Columbia Judicial Nominating Panel:

JOSEPH TYDINGS, former U.S. Senator and U.S. Attorney for Maryland (chair);
LORRAINE WILLIAMS, vice president for academic affairs, Howard University;
MICHAEL GOTTESMAN, counsel for labor clients, including United Steelworkers;
WESLEY WILLIAMS, partner in Covington and Burling, former chief counsel for Senate District Committee;
PATRICIA KING, professor, Georgetown Law Center, member of board of governors of D.C. Bar;

ERWIN GRISWOLD, former dean of Harvard Law School and Solicitor General of the United States;
FLORETTA MCKENZIE, deputy superintendent, Maryland Department of Education;
ROBERT WATKINS, partner in Williams and Connolly;
JULIA M. WALSH, stockbroker;
MARNA TUCKER, partner, Boasberg, Hewes, Finkelstein & Klores;
JOHN JACOB, executive director, Washington Urban League.

Digest of Other White House Announcements

The following listing includes the President's daily schedule and other items of general interest as announced by the White House Press Office during the period covered by this issue. Events and announcements printed elsewhere in the issue are not included.

June 4

The President met at the White House with:

- Zbigniew Brzezinski, Assistant to the President for National Security Affairs;
- Vice President Walter F. Mondale, Secretary of the Treasury W. Michael Blumenthal, Bert Lance, Director of the Office of Management and Budget, and Charles L. Schultze, Chairman of the Council of Economic Advisers.

June 6

The President met at the White House with:

- Dr. Brzezinski;
- Frank B. Moore, Assistant to the President for Congressional Liaison;
- senior White House staff members;
- the Cabinet;
- Vice President Mondale;

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- a group of administration officials to review the budget for fiscal year 1979.

June 7

The President met at the White House with:

- Dr. Brzezinski;
- Representative John W. Jenrette, Jr., of South Carolina, and Gene Dalton, president, League of Postmasters;
- a group of Congressmen to discuss the B-1 bomber;
- Dr. Schultze;
- Vice President Mondale, Adm. Stansfield Turner, Director of Central Intelligence, and Dr. Brzezinski;
- Mr. and Mrs. Paul Landry and family, with whom the President stayed during the primary campaign;
- a group of Southern Baptist leaders;
- Senator Charles McC. Mathias, Jr., of Maryland;
- Senator Thomas F. Eagleton of Missouri;
- Ambassador Andrew J. Young, U.S. Representative to the United Nations;
- Gov. Jay S. Hammond of Alaska.

June 8

The President met at the White House with:

- Dr. Brzezinski;
- Vice President Mondale and Senators Robert C. Byrd of West Virginia and Abraham A. Ribicoff of Connecticut;
- Vice President Mondale and a group of Senators and Representatives, for a foreign policy briefing;
- Postmaster General Benjamin Bailar;
- Senator Claiborne Pell of Rhode Island and Representative John Brademas of Indiana;
- Robbyn Foxx of Emporia, Kans., the Cystic Fibrosis poster child;
- Mr. Lance;

- J. Paul Austin, chairman of the board of the Coca-Cola Co., Atlanta, Ga.;
- the Intelligence Oversight Board;
- a group of administration officials, to discuss the budget for fiscal year 1979.

June 9

The President met at the White House with:

- Dr. Brzezinski;
- the Democratic congressional leadership;
- a group of Congressmen from Arkansas, Illinois, Kentucky, Missouri, Oklahoma, and Texas;
- Secretary of Transportation Brock Adams;
- Senator Hubert H. Humphrey of Minnesota;
- a group of administration officials to discuss the budget for fiscal year 1979.

The President hosted a reception for members of the executive committee of the Democratic National Committee in the State Dining Room.

June 10

The President met at the White House with:

- Dr. Brzezinski;
- a group of Congressmen to discuss the B-1 bomber;
- Gen. George S. Brown, Chairman of the Joint Chiefs of Staff, and Philip C. Habib, Under Secretary of State for Political Affairs, who reported on their trip to the Republic of Korea and Japan, and Vice President Mondale and Secretary of State Cyrus Vance;
- Vice President Mondale, Admiral Turner, and Dr. Brzezinski;
- Secretary of Commerce Juanita M. Kreps;
- Jay Solomon, Administrator of General Services.

The President today announced the three persons who will represent the executive branch on the Conference on Security and Cooperation in Europe. They are:

PATRICIA DERIAN, Coordinator for Human Rights and Humanitarian Affairs, Department of State;

DAVID MCGIFFERT, Assistant Secretary of Defense for International Security Affairs; and

FRANK WEIL, Assistant Secretary of Commerce for Domestic and International Business.

NOMINATIONS SUBMITTED TO THE SENATE

The following list does not include promotions of members of the Uniformed Services, nominations to the Service Academies, or nominations of Foreign Service officers.

Submitted June 6, 1977

ROLAND RAY MORA, of California, to be Deputy Assistant Secretary of Labor for Veterans' Employment (new position).

EDWARD R. FRIED, of Maryland, to be United State Executive Director of the International Bank for Reconstruction and Development for a term of 2 years, vice Charles A. Cooper, resigned.

JOSEPH COOLIDGE WHEELER, of Virginia, to be an Assistant Administrator of the Agency for International Development, vice Robert Harry Nooter.

Submitted June 7, 1977

AZIE TAYLOR MORTON, of Virginia, to be Treasurer of the United States, vice Francine Neff, resigned.

Submitted June 8, 1977

GOLER TEAL BUTCHER, of the District of Columbia, to be an Assistant Administrator of the Agency for International Development, vice Philip Birnbaum, resigned.

ALEXANDER SHAKOW, of the District of Columbia, to be an Assistant Administrator of the Agency for International Development, vice Philip Birnbaum, resigned.

CLAUDE ANDERSON, of Florida, to be Federal Cochairman of the Coastal Plains Regional Commission, vice Russell Jackson Hawke, Jr., resigned.

F. KENNETH BASKETTE, JR., of Colorado, to be Federal Cochairman of the Four Corners Regional Commission, vice Stanley Womer, resigned.

NOMINATIONS—Continued

Submitted June 8—Continued

J. JOSEPH GRANDMAISON, of New Hampshire, to be Federal Cochairman of the New England Regional Commission, vice Russell Field Merriman, resigned.

GEORGE D. MCCARTHY, of the District of Columbia, to be Federal Cochairman of the Old West Regional Commission, vice Warren Clay Wood, resigned.

PATSY ANN DANNER, of Missouri, to be Federal Cochairman of the Ozarks Regional Commission, vice Bill H. Fibley, resigned.

PATRICK J. VAUGHAN, of Idaho, to be Federal Cochairman of the Pacific Northwest Regional Commission, vice Jack O. Padrick, resigned.

CRISTOBAL P. ALDRETE, of Virginia, to be Federal Cochairman of the Southwest Border Regional Commission (new position).

WILLIAM R. BECHTEL, of Wisconsin, to be Federal Cochairman of the Upper Great Lakes Regional Commission, vice Raymond C. Anderson, resigned.

ESTHER CRANE WUNNICKE, of Alaska, to be a member of the Joint Federal-State Land Use Planning Commission for Alaska, vice Burton W. Silcock.

Submitted June 9, 1977

JOHN A. GRONOUSKI, of Texas, to be a member of the Board for International Broadcasting for a term expiring April 28, 1980, vice David M. Abshire, resigned.

JULIUS BENJAMIN RICHMOND, of Massachusetts, to be an Assistant Secretary of Health, Education, and Welfare, vice Theodore Cooper, resigned.

JULIUS BENJAMIN RICHMOND, of Massachusetts, to be Medical Director in the Regular Corps of the Public Health Service, subject to qualifications therefor as provided by law and regulations, and to be Surgeon General of the Public Health Service, for a term of 4 years, vice Dr. Jesse Leonard Steinfeld, resigned.

LELAND EARL BARTELT, of California, to be Administrator of the Federal Grain Inspection Service (new position).

JOHN M. RECTOR, of Virginia, to be Assistant Administrator of Law Enforcement Assistance, vice Milton L. Luger, resigned.

Submitted June 10, 1977

HERMAN J. COHEN, of New York, a Foreign Service officer of Class one, to be Ambassa-

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NOMINATIONS—Continued

Submitted June 10—Continued

dor Extraordinary and Plenipotentiary of the United States of America to the Republic of Senegal.

HERMAN J. COHEN, of New York, a Foreign Service officer of Class one, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of The Gambia.

DONALD GORDON MACDONALD, of Florida, to be an Assistant Administrator of the Agency for International Development, vice Charles A. Mann, resigned.

LEE A. LIMBS, JR., of Arizona, to be United States Marshal for the District of Arizona for the term of 4 years, vice J. Pat Madrid, resigned.

HAROLD D. HARDIN, of Tennessee, to be United States Attorney for the Middle District of Tennessee for the term of 4 years, vice Charles H. Anderson, resigning.

**CHECKLIST OF WHITE HOUSE
PRESS RELEASES**

The following releases of the Office of the White House Press Secretary, distributed during the period covered by this issue, are not included in the issue.

Released June 10, 1977

Biographical data: Harold D. Hardin, the President's nominee to be U.S. Attorney for the Middle District of Tennessee

Biographical data: Lee A. Limbs, Jr., the President's nominee to be U.S. Marshal for the District of Arizona

**ACTS APPROVED BY
THE PRESIDENT**

Approved June 6, 1977

H.R. 6752----- Public Law 95-41

An act to amend the Water Resources Planning Act (79 Stat. 244) as amended.

PRESIDENTIAL DOCUMENTS

Week Ending Friday, June 17, 1977

Interview With the Magazine Publishers Association

Remarks and a Question-and-Answer Session With Members of the Association. June 10, 1977

THE PRESIDENT. I think Jody and Rex are giving a press briefing now to the White House press corps, which they do, as you know, every day. My next press conference is, I think, Monday.

I've made my plans to have full-scale press conferences twice a month. And so far I've enjoyed it. We've had a few complaints from the news representatives here that they were too frequent. But I always look forward to them, and I think that they are constructive in letting the American people know what we are trying to do and to explain our mistakes, to form partnerships with the people.

ADMINISTRATION POLICIES

I've now, I think, been in office long enough to get a good assessment of our Cabinet to let them form their proper interrelationships with one another. And I think our staff members have become fairly well assured about their own special responsibilities and interrelationships, as well. I've been pleased with them.

I just had lunch with Secretary of Commerce Juanita Kreps, and I told her ac-

curately that after a 5-months' assessment there was no member of the Cabinet that I would want to change, that I was very proud of all of them. They are superb.

And this feeling is shared by, you might say, outside observers, like my own staff members, and Bert Lance, Office of Management and Budget, and others who know them. I'm really pleased with them. There's never been one discordant note that has come to my attention among the Cabinet members themselves, which I think is quite a good achievement, as well.

We've now begun our spring budget reviews. I have a total, I think, of 26 hours scheduled to meet with the heads of all the major agencies. And we spend anywhere from a half an hour to 4 hours, depending upon the complexity of the budget itself, in preliminary assessments of major programs that are ongoing to make sure they understand the full scope of the zero-based budgeting technique, which is new, and that we establish an order of priority of the major expenditures that they anticipate needing for fiscal year 1979. And on almost every occasion we have either one or two or three special studies that need to be consummated before I make a final decision on what to recommend to the Congress for fiscal year '79.

These are done sometimes within our own department, sometimes jointly be-

tween the department and the Office of Management and Budget, sometimes involving my own staff, and sometimes involving a broad-scale, blue-ribbon citizens committee working with us.

We've initiated some major objectives which have been postponed, in my opinion, too long. They create an agenda that's almost overwhelming for us, but I don't feel any doubt that we should have addressed these problems.

On domestic issues, as you well know, they involve a basic energy policy, the evolution of an Energy Department, a resolution of the very serious questions concerning social security, welfare reform, tax reform—these kinds of things have been postponed from one administration to another. And in my opinion, their threat to our Nation's domestic well-being has grown in severity.

In foreign affairs, we've also been quite aggressive, I think, so far. We are trying to wrestle with the basic questions of southern Africa in a deeply involved fashion, working with the British and others. I have met with all the leaders in the Middle East. We've taken an innovative stand on nonproliferation of nuclear explosive capability.

We've had, I think, so far, a very successful effort to arouse the consciousness of the world about basic human rights and human freedoms. I don't think there's a foreign leader in the world who doesn't have in the forefront of his consciousness or her consciousness now, the basic question of what are we doing in our country about human rights. And this has been a very gratifying thing to us so far.

We are dealing with the questions of normalizing relationships with countries who have been our adversaries or even enemies in the past. This is one that's fraught with grave political consequences if they're not handled in a sensitive fashion. My own inclination, though, is to

aggressively challenge, in a peaceful way, of course, the Soviet Union and others for influence in areas of the world that we feel are crucial to us now or potentially crucial 15 or 20 years from now. And this includes places like Vietnam and places like Iraq and Somalia and Algeria and places like the People's Republic of China and even Cuba. I don't have any hesitancy about these matters.

The other thing I'd like to mention briefly is that we've, I think, formed a much tighter alliance of consultation and mutual purpose with our friends in the Western democracies. I have the utmost confidence that their democratic systems can prevail.

I think this is somewhat of a change, maybe from some of the attitudes of our leaders that have preceded me. But I think in the long run, we have the advantage on our side, because there's an innate hunger among the human beings who inhabit this Earth for a right to make their own decisions, not to be abused by government, to be free to develop as they choose, to be treated fairly. And I think in this way, our system of government can be exemplary to others. I think this is something that is now being more clearly seen.

And I feel—like in the competitive world of, say, among the African nations or in Asia or in Latin America—that we ought not to be timid in putting our best foot forward and that we ought to be sure that our own system here is clean and decent and honest and open and that there is a general sense among the world's people that when I speak I don't speak as an isolated voice; that as best I can, my Cabinet understands and supports what I say, that the Congress understands and supports what I say, and as best I can, again, that the American people understand and support what I say.

We've been criticized to some degree by injecting some of the controversial issues

into the public domain for debate. Obviously, one of them is concerning the Middle East and another one is nonproliferation, where we've aroused the displeasure of Germany and France and Pakistan and Brazil. The other one is human rights. But I think that if we stand for something we ought to be forceful about it. And we might win some and lose some in the relationships with other countries, but in general, though, I've been pleased.

So, in a thumbnail sketch, lasting about 5 or 6 minutes, those are some of the things that press on my mind.

I've enjoyed being President so far. I've got a lot to learn, but I'm learning in a hurry, because I spend a lot of time at it and I've got superb support.

I talked to Rosalynn this morning. She's in her sixth country now. She says she thinks that five countries are enough on one trip. [*Laughter*] She's leaving Colombia today and going to Venezuela, which will be her last visit on this trip.

Her response has been remarkably good in the countries where she's visited. And no one can understand how much time and effort she's spent in preparing for this trip, and the degree of acceptance she's had among the leaders.

She was supposed to spend about 45 minutes or an hour with each leader. She spent 7 hours with the Prime Minister of Jamaica. She spent 5 hours with the President of Costa Rica, 5 hours with the military junta in Ecuador, 3½ hours with the leader, with President Bermudez in Peru, about 3½ hours with the President of Brazil, Geisel. And I think this is a tribute to their high opinion of our own country and an eagerness to present their views directly to me and, also, to the fact that they found her to be capable of representing accurately what our people and what our Nation are.

She probably has a better sensitivity about the hopes and dreams and aspirations of the average American than I do, and I had no trepidation in letting her go to represent us. She's not a negotiator; she doesn't have any official position, but she's been received with open arms and I am very grateful for it.

I look forward to getting her back Sunday. I think five countries is enough.

Perhaps now I could answer a few questions in the time we have available, if you have any.

QUESTIONS

AFRICA

Q. Mr. President, my name is Harry Thompson [To the Point International, Westport, Conn.]. I wonder whether you could articulate for us the U.S. policy toward Africa, both black and southern, and who really speaks out, Vice President Mondale, Secretary Vance, or Ambassador Young?

THE PRESIDENT. I'll try. In the southern part of Africa we have three basic simultaneous problems. One is to deal with the question in Rhodesia, or Zimbabwe.

We are working closely with the British, who just finished a circle of bilateral discussions with the so-called frontline nations, the leading black nations around Rhodesia, and with Ian Smith and with Vorster. We'll now have our negotiators come back to this country to explain to me and Secretary Vance, the Vice President, Andrew Young, what the results of those discussions were.

One of the hopes is we might evolve, primarily with the British in the leadership role, a constitution that would be acceptable to the black and whites, future citizens of Rhodesia who have not been discouraged. I cannot tell you that we anticipate any easy resolution.

The second question, of course, is how to deal with what was formerly known as Southwest Africa, now known as Namibia. This is a nation that is, to a great degree, under the purview or control of the United Nations as far as legalities go.

The South Africans have not been willing to relinquish their tight control over the future of Namibia. And we have tried to induce Mr. Vorster to join with us in establishing an interim government that is broadly representative, to lead to democratic elections for a permanent, independent governing structure for Namibia.

As you know, he had put his eggs in what you might call a turnhalle basket—a turnhalle is a school gymnasium. That is a kind of a hand-selected group by Vorster to deal with the future of Namibia. This has not been acceptable to the rest of the countries in south Africa, nor to the United Nations members, including ourselves.

Under Andy Young's leadership, we've joined with Canada, England, France, and Germany and have now concluded two detailed importunities or requests or discussions with Vorster, asking him to resolve the Namibian question without delay.

The other question, obviously, is related to some degree; and that is, the future attitudes of South Africa itself. We don't feel an inclination to intrude into their internal policies, but we are committed as a nation to having equality of treatment of citizens.

As you know, South Africa is in very bad repute in many regions of the world. We are not trying to overthrow their government, but we do feel that there ought to be some equality of hiring practices, equality of pay for the same kind of work done, promotion opportunities for black citizens—which is not there—an end to the highly discriminatory pass system that exists in Africa.

These are the kind of things that the South went through 15, 20, 25 years ago, and just some demonstration of good faith on the part of the South African officials is what we would like to see.

We're not in the position to make them do this. But we've been trying to let South Africa know that we are not abusive, that we recognize their value as a stabilizing influence in the southern part of Africa to the extent that they work with us and resolve these other questions.

There is actually no disparity of opinion or responsibility among myself, Cyrus Vance, the Vice President, or Andy Young. We communicate freely. We have open and unrestricted debates with one another. When Andy Young goes to South Africa or to any of the other many countries that he can now go—which Kissinger could not go into—and when he speaks for our country, he speaks with my full authority and my complete support.

I had a meeting with Andy this past week to point that out to him. I think that one of the things that Andy presented to me with which I did agree is that there's been too much of a concentration of attention on his interest in Africa; that this needs to be spread more widely to the Caribbean, for instance, to the developing countries in South and Central America, perhaps to some of the Asian countries. And I approved that change in his emphasis.

And the other thing is that it's very hard on our country and on Andy, in particular, for him to spend 17 days on a broad scale, very successful trip—and I think in some instances very courageous trip through Africa—and then on the way back home to make a statement about the Swedish Government being racist and having that being the focal point of what he is about and what he is. It was unfortunate. And he recognizes the fact

that it did detract from the effectiveness of his past and future service.

But there is no incompatibility among us. I would have no reason to mislead you about that. We are completely compatible in our hopes.

The other part of Africa that we are quite concerned about that you did mention is in the Horn of Africa with Somalia, Afars, and Issas, Ethiopia, Sudan, and, to some degree, Ethiopia on the southern part of the Red Sea and, of course, the Arab countries to the north. But we are working very closely there with the Saudi Arabians in particular, trying to cement relationships with South Yemen, trying to improve relationships with Somalia, trying to understand the conflict within Ethiopia concerning the Eritreans. That's where the other potential troublespot is in Africa.

Q. Mr. President?

THE PRESIDENT. Yes, sir, go ahead. I'll get you next.

U.S. POSTAL SERVICE

Q. I am Emory Cunningham, publisher of Progressive Farms in the southern half of Birmingham. And I had a very enjoyable and helpful visit with you in your home in Plains last fall. You pointed to the fact that your mother's father, James Gordy, wrote the letter to Georgia's Tom Watson that led to legislation starting rural free delivery in the United States. And you said roughly that you thought that the Postal Service should continue to be largely a public service to all the people. And I wonder, after 6 months as Chief Executive—during which the electorate gives you very high marks, I might add—from that observation point, what is your view now on the Postal Service?

THE PRESIDENT. Well, I'm still proud of the fact that my grandfather—[laughter]—was the first one who advocated rural free delivery of mail. He was

a postmaster in Richmond, Georgia, when Tom Watson was a Congressman. Tom Watson introduced the legislation which was passed. And it was funded about 20, 25 years later.

I had a meeting this week, coincidentally, with the Postmaster General, and met last week with the new president of the association representing all the postmasters in our country—I think about 22,000 of them—John Dalton, who happens to be from Georgia, coincidentally.

I don't know how to respond to that question. The Post Office is now completely independent of me. I don't have any authority over the selection of the Postmaster General and have some authority, of course, in approving appropriations made by the Congress for fulfilling the requirements to meet the deficit. Although the Post Office is right now in the black, there's a prospective deficit of about \$200 million a month.

The options now are to increase rates substantially and/or to do away with Saturday deliveries. The Post Office, I think, needs a substantial amount of improvement. And my own hope is that we can refrain from substantial increases in the postal rate. What we don't meet with rate increases and reduction of services, though, we'll have to make up in direct appropriations of funds to meet the deficit.

I would rather not try to speak for Mr. Bailar and others, because they have a Post Office Board who will make a recommendation shortly. They met this month and did not address this question. My understanding from him is that next month they will make recommendations accordingly.

So, I'm disturbed about the Post Office, about its potential reduction in service and increase in rates and its deficit. But I don't have any way to answer your

question about what ought to be done about it yet.

Q. Mr. President—

THE PRESIDENT. I promised him, but I'll get you next.

NATIONAL ENERGY PLAN

Q. Mr. President, we heard this morning from Mr. O'Leary, and he seemed to be, in spite of the vote yesterday in Ways and Means, seemed to be rather optimistic that—and he specifically repeated this—by the end of this session in October, that your program would be—I've forgotten his exact wording—largely achieved as far as the energy program is concerned, which is something that I, personally, and I think most of us in this room, pray will take place. I certainly support it and very disappointed yesterday—do you share that optimism?

THE PRESIDENT. I've been deeply concerned and somewhat surprised at the extraordinary influence of the automobile companies and the oil companies in Washington.

Yesterday was a demonstration of that. The subcommittee in the commerce committee voted to deregulate so-called new discoveries of natural gas, which include almost all new wells—no matter if it was new discoveries or not—which would add unnecessarily about \$86 billion to the cost to the American consumer and put that into the income of the oil companies between now and 1985.

I feel that the proposal that we have put forward, with a fairly strict definition on new discoveries and with a \$1.75 price level, is adequate and an adequate incentive to future exploration. The Ways and Means Committee also took action which concerns me very much. The major lobbyist there was the automobile companies. It's easy to criticize specifics of the energy package, and even the American people have concern about specifics. But I think

in an overwhelming degree, the American people want the Congress to take bold, strong, adequate action to give us a comprehensive energy policy.

And my opinion is that the American people are willing to make a sacrifice if they feel that the package is complete, comprehensive, and fair.

We had some very serious and difficult decisions to make during the 3 months after I was in office that we studied it, plus several months before I was inaugurated. And I think that the balancing that we put forward was very good. And to see the Congress in its initial stages, subcommittee level, begin to chip away at individual component parts of the package, that's very disturbing to me.

I don't think it's time yet for me to consider castigating the Members of Congress. I know the pressures under which they are functioning. And I know that John Dingell, the chairman of the commerce subcommittee, did the best he could to prevent the action in his own committee. I think it's true that Al Ullman did the same thing in his committee to hold the package together.

But there has to be some compensatory interest and pressure from the general public in a constructive fashion on the Members of Congress, demanding strong action to counterbalance the intensely focused and highly visible pressure that's put on the Members of Congress by special interest lobbyists here on a daily, hourly basis.

And I am concerned. I'm not quite as sanguine about it as Mr. O'Leary apparently is.

I've got assurances from the Speaker. I talked to him this morning. He's quite concerned about the action yesterday. I met with Bob Byrd yesterday morning for breakfast. And they're determined to have an adequate energy package.

It's too early to be discouraged, but I think it's premature to be at ease. And unless the American public can be aroused to help me and others who believe that this is extremely important, and that the American public are willing to accept some sacrifice if it's fair, I'm afraid that we are not going to have an adequate program when it's over.

But later on, I'll go more and more public in my own expressions of concern and congratulations. But I think the issue is in doubt. And unless the American people speak up, the special interests are going to prevail.

U.S. POSTAL SERVICE

Q. Mr. President, going back to Mr. Cunningham's question on the Post Office, the members have asked me, as chairman, to say to you that the Hanley-Wilson bill that was introduced yesterday is one whose provisions we can pretty generally support and will.

THE PRESIDENT. Thank you. That's good to know. I might point out that a couple of weeks ago I directed my staff to start concentrating on the Post Office question. And we've not ignored it. It's just a matter of time sequence. And Stu Eizenstat and others, Bert Lance in the OMB, are working now with me to try to come up with a reasonable opinion of our own.

I don't know the provisions of the bill yet, but I'll learn. There's the tradeoff that I described earlier between reduction in deliveries, the Saturday deliveries, compared to increases in postal rates for first class and other rates, which I know is of great interest to you, is one that I'll have to address. And of course, I will have a great deal of influence on what the Congress ultimately decides.

Thank you. Yes, sir?

DOMESTIC POLICIES

Q. Mr. President, I wonder if I could ask you a conceptual question in terms of the way in which the last 8 months—3 months after the election, prior to the Inauguration, 5 months since—you've been able to identify a strategy—and we heard Charlie Schultze express it very well this morning—in terms of reduction of unemployment and inflation, balance the budget by 1981, increase capital spending.

At the same time, as you said, I think at the outset, particularly you've initiated many objectives, much work that should've been done a long time ago.

THE PRESIDENT. That's right.

Q. You built a staff, you got a committee to work together to identify issues and to identify options on those issues, alternatives, and to identify tradeoffs, not just within a department but within multidepartments. What gives you, and what you give the public, any sense of confidence that as you develop the ways in which you hope to accomplish the strategy, which you already have articulated, that it can indeed be accomplished? I'm particularly concerned about how the business community perceives this entire process, which is so very, very different and done entirely in public from what would exist within a corporation if one identified the strategy, again, to look at the objectives needed to accomplish it and to set up some task forces, study groups, one didn't have a Congress, didn't have the kinds of pressures that you have.

And I just wonder how certain you are that by the time you have stipulated you want these things to happen, the ways in which to do it, particularly working with Congress, can be worked out? This is not—

THE PRESIDENT. I know.

Well, there's no way that I can guarantee that ahead of time. I think the track record so far has been very favorable, al-

though the consequence that's highly publicized is always the disharmony and the most abrasive debates and the most controversial amendments that are proposed and the subcommittee action, if it's adverse.

When I met at Blair House with all of the Members of Congress in small groups to lay out my immediate objectives, I had five. One was the adoption by the Congress of strong ethics legislation. I think they've done very well in this.

Second was an adequate economic stimulation package. And I think they've done very well in this. I've been pleased with it. They've done almost to the letter what I have asked them to do.

Another one was a creation, in an expeditious way, of a Department of Energy. It took 2 solid years of hard debate and in-fighting and a great deal of watering down before Johnson was able to establish a Department of Transportation many years ago. We have almost accomplished this 3 months after the legislation was initiated, and it cuts across departmental lines perhaps even more severely than a Department of Transportation.

The other one is to give me authority to reorganize the executive branch of government. And the Congress acted on that very quickly and completely compatibly with what I had advocated.

And the other major item that I described to them was the energy plan itself, and the Congress is just beginning to act on it.

Now, as far as balancing the budget is concerned, if we can maintain a strong economy and meet the goals that Charlie Schultze described to you, I think we can balance the budget. It's going to be an almost unprecedented thing. No President in history, so far as anyone remembers, has ever met with the departments during a spring budget review. Many Presidents have never met with the de-

partments even in the final budget review.

Well, we're now setting down for them very tight, very strict guidelines that they can be permitted to propose to me on spending within their own departments. We are not just working on the 1979 budget. We are working on the 1981 budget. Every slide projection that's been shown to me in hours and hours of discussion—and we've now been through about 70 percent of the budget—has shown all the way out through 1981 or 1982.

This, combined with a zero-base budgeting technique, which is a mandatory constraint for them to determine how much money they will have as outlined by me—the relative priority of the different programs, putting old programs on exactly the same priority level as ones that have been there 15 years or 20 years—I think is a very good disciplinary action for them to take.

I think in the reorganization process we'll save a good bit of money. I would guess that by September of 1978 that our total employment in the Federal Government would not be in excess of what it was the day I took office. And I hope and I expect that the degree of delivery of services will be greatly improved.

We are setting specific goals and hard business management principles into effect that have been absent for a long time in the past. We've got some serious threats to our economy in the future that I haven't mentioned yet. One of them is retirement.

We've got the most horrible conglomeration of retirement programs that overlap and are wasteful and are sometimes unfair to deserving employees that you've ever imagined. It's shocking when you go into it. And I don't know any way to address this terrible complexity without appointing a special blue-ribbon commission to look into it.

We've got people now who are drawing sometimes three retirement payments and they're still fairly young. And they're excessive, in my opinion, in some instances. Other employees who have served equally well find themselves deprived of an adequate retirement benefit or they find that their retirement fund is only 40-percent funded when they're getting ready to quit work in their older age.

So, this is the kind of question that has been delayed. I can't guarantee that everything that we have set forth as a goal will be achieved. But the only thing I can do is to set the goal to put the mechanism for achievement into effect, to describe to the American people periodically and without evasion our progress or our retrogression. And if we do fail in some instances with an enormously ambitious program, then I think the American people will understand that we've done our best.

That's all I can say to answer—you might have a specific question.

Q. Without being pretentious, the only thing that I would suggest is that I think that the function thus far in explanation has been on a shorter term process, particularly zero-based budgeting, rather than the processes which are going to be involved in moving toward a set of goals in 1981. And I think particularly the business community, perhaps not the general population, would be impressed by knowing what executive actions have taken place which have applied the kind of logic that they apply day to day to the kind of problems that they know that you're faced with.

THE PRESIDENT. That's a good point. I have to say that we're doing the best we can with that. It would be interesting, I'm sure, to you to know how many hours a month Mike Blumenthal and Bert Lance and Juanita Kreps and Charlie Schultze and others spend meeting with business

groups, chambers of commerce groups, manufacturing groups, to explain to them what we are doing. And I think that to that particular audience, the impact is very good. But to achieve an adequate news coverage of their presentations is not always a sure thing. But I think your question and your cautionary comment is very pertinent.

Q. I've heard them—I'll get off the floor—and they are tending to talk and the questions are tending to be directed to the shorter range issues—

THE PRESIDENT. I understand.

Q. —how's energy going to work in 1979.

THE PRESIDENT. Of course, all of our projections, like on energy, are for 1985. When we present our budget to the Congress in '79, we'll go through 1981 and 1982 as far as impact is concerned. But as you pointed out very accurately, we've only been in office yet 5 months. A lot of these programs are still in the embryonic stage as far as we are concerned.

You can do a lot of talking, a lot of studying, a lot of question-and-answering and speaking during a 2-year campaign, but until you have the authority to demand confidential information and the cohesion of a staff to pull together accurate information, it's hard to bring yourself to comprehend a problem well enough to get a potential answer.

So, we are still working on it. And I wouldn't want to exaggerate what we hope to accomplish. But our goals, as you can see, are very ambitious.

Q. Thank you, sir.

THE PRESIDENT. Maybe one more quick question.

URBAN AREAS

Q. Mr. President, I am Earl Graves of Black Enterprise Magazine.

And in listening to Chairman Schultze this morning as he described—and new

have also—moving towards 1981 and a balanced budget, and going back to some of the promises that were made prior to your election in terms of looking at a comprehensive program for the revitalization of the cities, can you have the four-point program that you described this morning and you alluded to here and still point and move towards a revitalization of the cities that is so needed?

THE PRESIDENT. Yes, I think so. Where are you from?

Q. New York City.

THE PRESIDENT. New York.

Q. We have one or two problems in New York. [*Laughter*]

THE PRESIDENT. I've heard. I think that this is such a broad question that I don't have the time to answer it and couldn't give you a definitive answer anyhow. But in almost every proposal that we have made to the Congress—and we've been making good progress there in their acceptance—we are shifting the impact of limited Federal funds—and they'll always be limited—to the redressing of problems in the older and more dilapidated and deteriorating neighborhoods where the need is greatest.

I think it's accurate to say, just to give you one example, that the housing programs in the past have been not only inadequately financed, that's being beefed up, but also when the financing was available, it quite often went to the rapidly growing new areas of the country. It went to the suburbs where the more affluent citizens live, where they are better organized, more articulate, and where they understand the Federal laws best, and the central city areas where the needs are greatest were deprived. Well, we're trying to change that in a generic sense. I just use that as one example.

But I think in the overall thrust of our programs concerning energy, transporta-

tion, welfare reform, tax reform, housing, education, that you will see a constant pattern to try to rebuild the strength of the cities. When I mentioned a few minutes ago the retirement problem, this has been one of the questions in New York City, in Philadelphia, and other places where inadequate long-range projections of cost are proving to be sometimes an almost financial catastrophe. Now some cities have taxed themselves heavily to maintain the integrity of a retirement fund. Others have simply approved the very liberal retirement benefits and haven't funded it at all.

And so we are having to deal with this to the extent that the law prescribes, from the Federal point of view. But I think in a generic and an adequate sense, the goals that we've established on the budget being balanced under normal, healthy, economic circumstances is completely compatible with redressing some of the long, unmet needs of the downtown urban areas.

I want to say in closing that I thank you for coming by to see us. We can't give you a complete understanding of the Federal Government in one day and neither have they been able to give me a complete understanding of the Federal Government in 5 months. [*Laughter*] But I'm learning and so are you. But I think that this program that we've established to let you come in and meet with some of our people and cross-examine us and learn is very healthy for us, because your questions are very instructive to me. And we're always eager to let your readers and your viewers, your listeners, know how we are running your Government.

Thank you again.

Q. Thank you.

NOTE: The interview began at 1 p.m. in the Cabinet Room at the White House.

The transcript of the interview was released on June 11.

Land and Water Conservation Fund

Statement on Signing H.R. 5306 Into Law. June 11, 1977

I am today signing into law, H.R. 5306, to increase the authorization for the Land and Water Conservation Fund.

The Fund was established in 1965 to provide matching grants to State and local governments for the planning, acquisition, and development of outdoor recreational lands. It has also provided the primary source of funding for acquisition of Federal recreational lands, including the national parks, national forests, and wildlife refuges.

As I stated in my environmental message of May 23, 1977, my administration is strongly committed to the preservation and wise management of areas of special natural, historical, and cultural value for the benefit of all Americans both now and in the future. The Land and Water Conservation Fund has been and will continue to be an important tool in achieving these goals.

H.R. 5306 will authorize increases in the levels of the Fund of \$300 million in 1978 and \$150 million in 1979 to a total of \$900 million for each year. These additional moneys would be specifically available for reducing the current backlog of Federal recreational areas already authorized for acquisition.

My administration shares the concerns expressed by Members of the Congress over escalating rural land values and the potential degradation of important resource values affecting these lands. For this reason, I have already initiated and intend to continue pursuing a land acquisition program that will substantially

reduce the existing backlog of authorized, but unacquired, recreational lands.

However, I do want to make clear that my approval of this legislation does not imply a commitment by my administration to seek full funding of the increased authorizations for 1978 and 1979. While I am committed to an orderly reduction of the acquisition backlog, I feel that it is also important to retain the flexibility to assess competing budget demands for all Federal programs on a continuing basis and to set spending priorities in the context of overall national needs.

NOTE: As enacted, H.R. 5306 is Public Law 95-42, approved June 11.

Flag Day and National Flag Week, 1977

Proclamation 4508. June 11, 1977

By the President of the United States of America

A Proclamation

Two hundred years ago, on June 14, 1777, the Continental Congress adopted the Stars and Stripes as the official flag of the United States.

In these two centuries our Nation has changed in many ways, but our flag remains an appropriate symbol of America. Its bold colors reflect the courage and determination of the American people, as its straight and simple lines reflect their straightforward character.

In celebrating this two hundredth anniversary let us resolve to honor our country's flag by displaying in our lives the qualities it reflects.

To commemorate the adoption of our Nation's flag, the Congress, by joint reso-

lution of August 3, 1949 (63 Stat. 492, 36 U.S.C. 157), has requested the President to issue annually a proclamation calling for its appropriate observance. By joint resolution of June 9, 1966 (80 Stat. 194, 36 U.S.C. 157a), the Congress also requested the President to issue annually a proclamation designating the week which includes June 14 as National Flag Week.

To encourage the American people to take pride in the Nation which that flag symbolizes, the Congress, by joint resolution of June 13, 1975 (89 Stat. 211, 36 U.S.C. 157b), has declared the twenty-one days from Flag Day through Independence Day as a period to honor America.

NOW, THEREFORE, I, JIMMY CARTER, President of the United States of America, do hereby designate the week beginning June 12, 1977, as National Flag Week and I call upon the appropriate officials of the Government to display the flag on all Government buildings during that week. I urge the American people to celebrate Flag Day and National Flag Week by displaying the flag of the United States at their homes and other suitable places.

I also call upon all Americans to observe the period from Flag Day through Independence Day as a period to honor America through public gatherings and other suitable activities that will demonstrate their pride in their Nation and its accomplishments.

IN WITNESS WHEREOF, I have hereunto set my hand this eleventh day of June in the year of our Lord nineteen hundred seventy-seven, and of the Independence of the United States of America the two hundred and first.

JIMMY CARTER

[Filed with the Office of the Federal Register, 11:33 a.m., June 13, 1977]

Rosalynn Carter's Trip to the Caribbean and Latin America

Remarks of the President and Mrs. Carter on Her Return. June 12, 1977

MRS. CARTER. I've had a lot of arrival ceremonies in the last couple of weeks, but it's always good to arrive back home.

Mr. President, Jimmy, Mr. Secretary of State, Mr. Vice President, distinguished Ambassadors:

I bring you greetings from Latin America and the Caribbean.

Es un gran placer para mi está aquí. (It's a great pleasure for me to be here.)

I've done this for 2 weeks, and I couldn't resist. But seriously, it was a good trip.

This morning in Venezuela, President Pérez said to me that Jimmy's Pan American Day speech and my visit to Latin America had opened new paths in inter-American relations instead of the paternalism that has characterized the past. We are ready and eager to develop balanced, natural, normal, and equal relationships.

I found good will and friendship everywhere I went. They love you in the Caribbean and in Latin America, and every head of state that I spoke with without exception agreed with me on the importance of cooperating and consulting closely on the issues that concern you, Jimmy, and that concern us all—human rights, nuclear nonproliferation, economic development, arms control.

I think we've made progress in all of these areas. I'm glad to be back home. I'm glad to be with Amy and with Jimmy. I'm going to convey all of this information that I have to Jimmy. In fact, I look forward to consulting closely with him on a regular basis. *[Laughter]*

THE PRESIDENT. She's given me permission to say just a word. Every day we have

received a comprehensive report on Rosalynn's visit with the foreign ministers and with the heads of state. Of the seven countries in the Caribbean, Central and South America that she has visited along with Mrs. Vance and others this past 2 weeks, all the reports have been good.

Her goals, as laid out very carefully and over a long period of time by the State Department and the White House, have all been carried out, I think, almost with perfection. Although she had scheduled in many instances just 45 minutes or an hour with the Presidents or Prime Ministers of our friends in the south, most of her conversations with them extended from 3 or 4 or 5, sometimes as many as 7 hours.

The substance of those discussions are matters that are of mutual interest to all of us, and Rosalynn has reported already and will report further on areas of closer cooperation and equality of approach to both the opportunities and problems that have always bound us close together.

This has been a trip, I think, of great significance to our country and to the people whom she has visited. The trip had great significance to me, and I'm very glad that she has returned home safely and with success.

The leaders of those countries probably realize that it means a lot more for me to send Rosalynn to their country than for me to send anyone else. It's much more difficult and a much greater sacrifice for me to have her gone than the Vice President, even, or the Secretary of State. *[Laughter]*

We're glad to have her home with the renewed knowledge and commitment that our friends in Central and South America are very dear to us. And I believe that the problems that did exist between ourselves and a few of the countries that she visited have, to a great degree, been resolved, and the agenda that she has laid out in close

consultation with the leaders of those nations are already being addressed.

I'm thankful that she went and I'm thankful for the results of her trip and, also, thankful that they are home safely.

Thank you very much.

NOTE: The exchange of remarks began at 4:25 p.m. at Andrews Air Force Base, Md.

Black Press Day, 1977

Proclamation 4507. June 10, 1977

*By the President of the United States
of America*

A Proclamation

The Nation's first black newspaper was founded in 1827. In the 150 years since, the black press has come to serve more than 25,000,000 Americans, and has been a major factor in their advancement.

The black press has had to overcome great obstacles to achieve the respect it commands today as a voice for individual freedom, dignity, and equality.

That it has done so, while remaining faithful to the standards of professional journalism, is a tribute to the dedication, responsibility and zeal of its members.

As we go forward with our efforts to make equality of opportunity a reality for all Americans, we will continue to depend on the black press to provide us with guidance, insight and wisdom.

I urge every American to support the continuing efforts of the black press to help assure that America achieves its full potential.

NOW, THEREFORE, I, JIMMY CARTER, President of the United States of America, do hereby proclaim Friday, June 17, 1977, as Black Press Day. I urge all Americans to reflect upon the contributions of the black press to the realization of the prin-

ciples upon which our Nation was founded.

IN WITNESS WHEREOF, I have hereunto set my hand this tenth day of June in the year of our Lord nineteen hundred and seventy-seven, and of the Independence of the United States of America the two hundred and first.

JIMMY CARTER

[Filed with the Office of the Federal Register,
11:34 a.m., June 13, 1977]

NOTE: The text of the proclamation was released on June 13.

Urban Mass Transportation Administration

Nomination of Richard S. Page To Be Administrator. June 13, 1977

The President today announced that he will nominate Richard S. Page, of Seattle, Wash., to be Administrator of the Urban Mass Transportation Administration. Page is executive director of the Municipality of Metropolitan Seattle (METRO).

Page was born August 3, 1937, in Fayette, Mo. He received an A.B. from Oberlin College in 1959, an M.P.A. from Princeton University's Woodrow Wilson School of Public and International Affairs in 1961, and an M.A. (1962) and Ph. D. (1967) in politics from Princeton University.

From 1962 to 1964, Page was a research assistant to the U.S. Senate Committee on National Security Staffing and Operations. He was legislative assistant to Senator Henry M. Jackson from 1964 to 1966.

From 1966 to 1968, Page was program director for Forward Thrust, Inc., the Seattle-King County civic development program. He was assistant professor and assistant dean of the Graduate School of

Public Affairs at the University of Washington in 1968-69.

Page was special assistant for Federal-State programs and deputy mayor of Seattle in 1970 and 1971. In 1971 and 1972, he served as special assistant to Senator Jackson for urban and environmental affairs. From 1972 to 1974, he was director of the department of public services, Municipality of Seattle, and since 1974 he has been director of METRO, which provides public mass transit service and water pollution control and planning for the Seattle metropolitan area.

Page is a member of the board of the American Public Transit Association and chairman of the policy planning subcommittee.

United States Conference of Mayors

Remarks by Telephone to the Opening Session of the Conference. June 13, 1977

THE PRESIDENT. First of all, to Mayor Ken Gibson and to the distinguished mayors who are at the conference in Tucson, let me say that I wish I was there with you.

Last year when the mayors were meeting in Milwaukee, I was able to be there to spell out in some detail what I hoped to accomplish if I should become President. Now that I have a full-time job, it's not as easy for me to attend as many conferences. That's one reason I can't come, particularly this year when we are trying so hard to implement the campaign commitments that I made with your support and with your guidance to me.

I do have great confidence in the representatives that are in Tucson with you from my own administration. Patricia Harris will be speaking to you at lunch today, I understand. Jack Watson from

the White House staff is there, also representing me directly. And Secretary of Commerce Juanita Kreps will be speaking to you tomorrow.

I think it's very important that these two Cabinet members and my own staff representative, Jack Watson, serve not only in the capacity of speakers but of listeners. We had a long discussion this morning in the Cabinet meeting about the fact that whenever a new idea or a new problem or a new crisis evolves in our own system of government, the first place that it becomes apparent is under your own administrations, in the cities of our country. Quite often, this new problem arises without having been considered at the State or national level, and there is a time period of months or even long years between the crisis becoming apparent to you and comprehensive legislation being passed in Washington to address a nationwide problem.

So, you are the innovators in working out answers to the most difficult questions that face our own American society. I think this is a good aspect of our system of federalism because it puts the responsibility for searching for answers as near as possible to the people who are involved in the question themselves. But it also puts on a President the additional burden of receiving your advice and your counsel, your support and, on occasion, your criticisms. And I want you to feel that you have an open line into the White House as we deal with problems that affect the people that you and I both represent. All of your constituents are my constituents.

As we face these next few months, I think it's important that we work together constantly in the proper shaping of a new energy policy, the evolution of a new Department of Energy, the reorganization of the Federal Government. I'll be proposing, after close work with you by Joe Califano and others, a comprehensive welfare

reform program before the Congress recesses in August. And we also have a need this year to put forward a basic tax reform proposal, which will be done before the Congress adjourns for 1977.

We have many items that are a common problem in certain areas of our Nation. One on which I've devoted a great deal of time personally is how to deal with the undocumented worker or illegal alien problem. We're not only working with the President of Mexico and other leaders, with the Congress and with Governors, but we're also working with mayors whose cities are especially affected.

As we see a growing cooperation, I believe that our own judgments will be improved. It is good for you to understand my special perspective in international matters and on a nationwide basis that appear to you to be sometimes quite easy to resolve. And I know that my own judgments will be more effective and more proper depending upon how close and constant a working relationship there does exist between the mayors and the President.

Jack Watson, who's with you, has my full confidence and, of course, my full support. And I hope that every one of you will leave the conference with his telephone number so that if you do have a special need, day or night, you can get in touch with him and, hopefully, he can give you adequate assistance or advice or information. Of course, I'm always available to you if the Cabinet members and my own staff can't meet your needs adequately.

This is a year when our American people are looking for cooperation and not division between the different levels of government. I think they've responded well to the close partnership that has been formed between the White House and the Congress, and I think that the result of this year's congressional deliberations will

be very gratifying to us all. And I want to make sure that at the local, State, and Federal levels of government, we have the same interrelationship that's productive and which demonstrates that our system of federalism can work.

In closing, let me add one other comment. There are going to be a great number of controversies, because many of the issues that I've described to you in the last couple of minutes have been lying dormant for years, decades, sometimes even generations, and have not been addressed adequately.

We have needed an energy policy for a long time. We've needed welfare reform for a long time. We've needed to have the social security system revised and made sound for a long time. We've needed to address the undocumented workers question for many years. And of course, in the field of education, housing, transportation, the needs of our country are very great. We can't answer these questions or solve these problems alone. And I think it's accurate to say that I need you much worse than you need me.

I'm eager to learn. I've enjoyed being President so far, and the reason that I feel confidence in my own self as the leader of our country is because I know that I can depend upon you.

So, work closely with us; don't ever be reticent about either requests or advice or criticisms. And as you have demonstrated so effectively in your own cities and towns, I'll try to demonstrate as President that you and I share the responsibility for administering the affairs of people in the greatest nation on Earth.

Thank you very much. I'm very proud of you and hope that later on I can be with you at one of your future conferences. Thank you very much, Ken Gibson, and all of those assembled.

MAYOR GIBSON. Thank you very much, Mr. President.

THE PRESIDENT. I enjoyed it, Ken. How's it going?

MAYOR GIBSON. Very good.

THE PRESIDENT. Give my personal compliments to all those that have been so close to me and helped me. And I look forward to seeing you often. Goodby, sir.

MAYOR GIBSON. Thank you very much.

NOTE: The President spoke at 1:05 p.m. from the Oval Office at the White House to the conference, which was meeting in Tucson, Ariz. In his concluding remarks, he spoke with Kenneth Gibson, mayor of Newark, N.J., and president of the U.S. Conference of Mayors.

THE PRESIDENT'S NEWS CONFERENCE OF JUNE 13, 1977

THE PRESIDENT. Good afternoon. I have a brief report to make, and then I will answer questions.

SELECTION OF FBI DIRECTOR

Four months ago, a group of distinguished Americans began to screen about 230 persons for selection for the directorship of the FBI. They have interviewed a large number of people, about 45 or 50, and they have now made a recommendation to me and to the Attorney General of five persons whom we will now interview and consider. We may or may not choose one of these five, but the likelihood is that we shall.

One of the persons is Judge John Irwin from Massachusetts. Another one is William Lucas, the sheriff of Wayne County in Detroit. The third one is John Van de Kamp, district attorney from California—Los Angeles, I believe; Neil Welch, who is the special agent in charge of the FBI office in Philadelphia; and a Circuit Court Judge, Seventh Federal Circuit, Judge Harlington Wood. Those five men

will be interviewed by the Attorney General, investigated thoroughly, and then I will interview them personally. And the chances are that the next FBI Director will be from those five, although it's not a certainty.

Ms. Thomas [Helen Thomas, United Press International].

QUESTIONS

ENERGY PROGRAM

Q. Mr. President, Senator Byrd says you overreacted on early defeats to your energy program. And you said that the American public is not aroused enough against the oil and auto lobbies. One, do you think you overreacted? Two, why do you think the public has not been aroused in view of your avid campaign?

THE PRESIDENT. Well, I think that my statements concerning the votes both in the commerce committee subcommittee, under John Dingell, and the Ways and Means Committee were moderate and accurate. I am deeply concerned about the inordinate influence of the lobbyists and representatives of the oil companies and the automobile manufacturers.

I've never criticized the Congress as a whole. As a matter of fact, I believe that Al Ullman and John Dingell did an extraordinarily good job in trying to protect the recommendations that I had made to the Congress.

It's important that the American people be aroused to the fact that unless they are deeply involved in helping the Congress and me to come up with a substantive, comprehensive, fair, and adequate energy policy, that the special interest groups will prevail.

I've never attacked the Congress on this matter at all. I believe that it's a good likelihood that the full commerce committee and the Members of the House of Representatives on the floor debates and vote

will reverse some of the setbacks that were suffered last week.

I have confidence in the sound judgment of the Congress, and I believe that they and I are on test. And if we are not successful in coming forward with an adequate program, we will be deserving of legitimate criticism by the American people for timidity and for an absence of concern about what I still consider to be the gravest domestic issue that I shall face during my own term as President.

U.S. INTELLIGENCE AGENCIES

Q. Mr. President, are you now considering unifying the direction of all the intelligence agencies under a single individual, and if so, when might that come about?

THE PRESIDENT. Shortly after I was inaugurated President, I asked the National Security Council to begin a study about the organizational structure of the intelligence agencies. I have no predisposition about what that decision might be. This study has been going on now for more than 4 months, and I think a recommendation to me is imminent.

There obviously will be differences of opinion. I would hope that these differences could be ironed out among the State Department, the national security adviser, the present Director of the CIA, the director of the intelligence community, Stan Turner, and the Secretary of Defense.

But those matters on which they still disagree, when the recommendation comes to me, I'll resolve them without hesitation. I think that there is a need to protect the very important aspect of a diversity of opinion in making assessments of intelligence, the proper collation of data to be presented to me and other consumers. And I think it's important that we move very strongly away from a past procedure and let those who use the intelli-

gence data give a direction to the intelligence community about the relative priorities that are important.

In the past, the intelligence community itself has set its own priorities. I think in the future the Defense Department, State Department, the President, and others ought to set the priorities. But I don't have any predisposition yet about the exact organizational structure.

One other comment is that I have met with the congressional leaders about this subject. My own hope is that if we can reach reasonable agreement within the executive branch, that we can work very closely with the Congress in setting into law the charge to the intelligence community and the organizational structure of the intelligence community. So far this has been done by Executive order.

But I think that progress is good. There are bound to be differences of opinion and strong differences of opinion. If they are not resolved otherwise, I'll resolve them myself.

ROBERT MENDELSON

Q. Mr. President, during the campaign you advocated removing the regulatory agencies and departments from the control of regulators too friendly with the people they regulate, and you also advocated environmental protection. Your nominee for Assistant Secretary of the Interior for policy, budget, and administration, Robert Mendelsohn, of California, has consistently voted against environmental protection in favor of the interests of large campaign contributors as a member of the California Coastal Zone Conservation Commission.

However, since he began consulting for the Interior Department in February, he has accepted over \$110,000 in campaign contributions and/or forgiven loans from the same interests. In view of your statements and his record, why have you nomi-

inated him to this position of influence over the Government's environmental protection efforts?

THE PRESIDENT. I am not familiar with this record that you have described, but I will immediately become more familiar with it. *[Laughter]* And if there are conflicts of interest, we can always change the appointment if it is in error.

I believe, however, that as a general rule that my nominations and my selections for important positions relating to the environment have been overwhelmingly approved by environmental groups, quite often who are very fervent and very demanding and whose standards are very strict. But in this particular instance, I am not familiar with it. But I will let you know later on if you will check with me.¹

¹ On May 5, the President had nominated Robert H. Mendelsohn to be Assistant Secretary of the Interior for Management, Program Development, and Budget.

At his news conference at the White House on June 14, Press Secretary Jody Powell made the following statement:

There was a question yesterday with regard to a nomination of Mr. Bob Mendelsohn, which unfortunately contained some allegations against him which are not true. And I think, in addition to the fact we promised to respond on the question, it is important that the record be set straight with regard to this individual to the extent it can be.

I might say to begin with that everything which I am now about to tell you has been available on the public record for a matter of weeks, if not months. There have been in the past several weeks extensive committee hearings and several press statements from Interior on this specific matter, so that none of this information, in fact, was in a position that was not available to any reporter that wanted to look for it.

A question was raised about a fundraising event which Mr. Mendelsohn had. Let me say that event took place only after checking with the counsel in this office and at Interior. It took place before his nomination to the Senate. Every contributor to that fundraiser was screened by the White House counsel and the counsel of Interior to make sure that they were

THE WILMINGTON 10

Q. Mr. President, within the past 10 days the White House has reemphasized its commitment to campaign on behalf of human rights activists persecuted in foreign countries.

THE PRESIDENT. Yes.

Q. In Wilmington, North Carolina, the Reverend Ben Chavis and nine others have been convicted and sentenced to prison terms totaling 282 years for what they contend are human rights activities. The Reverend Mr. Chavis and his supporters, including now the NAACP and several prominent business and political and elected leaders in North Carolina, have implored you for your intervention and comments in their behalf.

What comments do you have regarding the Reverend Ben Chavis and the Wilmington 10 and their charges of political imprisonment?

THE PRESIDENT. Well, the only comment that I am free to make under our own system of government is that I hope that justice will prevail; that the ones who are accused of a crime will be given a fair trial; if they are found guilty, that

not people who were doing business with Interior. Only two of the contributors had any connection with Interior at all and that was judged to be so remote as to be insignificant.

There was, in addition, an allegation that Mr. Mendelsohn has a poor environmental record. Suffice it to say during the entire course of the committee hearings, not one environmental leader raised any objection whatsoever to his appointment to this office by the President.

The Secretary of Interior happens to be in California today, and I think he is making a similar statement there.

I might also say it is my understanding that the members of the committee who considered this appointment in fact were complimentary in the way in which the fundraiser and the contributions were handled by the nominee and by the Department of Interior.

they will be punished in accordance with normal procedures for an equivalent crime committed.

There is a very strict prohibition, as you know, against the encroachment of the executive branch of Government on the judicial branch. The Attorney General is concerned about this particular case in that he wants the same thing I want, and that is that justice be done. This has been a matter of long-standing controversy, both on the domestic scene and internationally as well, and I trust the system in its entirety. If there ever is a mistake made at a lower level in our judicial system, there's always a right to appeal. And I believe that the history of our judicial system is that ultimately they make the right decision.

But I am not trying to evade the question. I think that it would be improper for me to try to impose what I think should be a judgment in a case that I have not heard tried. I don't have any direct familiarity with the evidence. I believe that justice will prevail.

ENERGY PROGRAM

Q. Mr. President, when you unveiled this energy program to the American people, you said that the alternative to your proposals might be a national catastrophe.

THE PRESIDENT. Yes.

Q. I want to know exactly what proposals you had in mind. If you lose the standby gas tax, you lose the rebates on fuel-efficient automobiles, if you should lose the deregulation of new natural gas—are those the ones that you had in mind? Or is it the wellhead tax and the coal conversion that you really think are the heart of your program?

THE PRESIDENT. I don't think you could single out any one particular point and equate it with a national catastrophe. But unless we take action to meet the

goals that we have established—a reduction in overall oil consumption, a reduction in the excessive consumption of natural gas, a shifting toward increased consumption of coal, and an equitable means of pricing oil and gas to encourage additional exploration on the one hand and to protect the interests of consumers on another—those cumulative effects of not meeting these goals would be catastrophic.

We now see a rapid escalation in consumption of gasoline. I think this summer we will see the highest use of gasoline in the history of our country. Imports are growing by leaps and bounds. Our trade balance, negative trade balance, is going to be very excessive this year—\$25 billion. We'll probably—possibly import \$45 billion worth of oil. And unless we reverse these present trends by strict conservation, brought about by voluntary means, by pricing structures, by tax incentives, the cumulative effect of this absence of adequate leadership on the part of me and Congress will be catastrophic.

But each individual component part of this complete plan can't be equated with catastrophe. I might say that we don't consider ourselves to be infallible. Over the 3 or 4 months that we considered this plan before it was presented to the Congress, there were a lot of differences of opinion. Some of the judgments made were quite closely called ones.

And the Congress is now finding an equal difficulty in dealing with this controversial issue. So, I don't say that everything we've proposed has got to be passed just as though we put it forward. But I think cumulatively, if we don't take strong and active action, the economic and political consequences will be catastrophic.

Q. Mr. President, Senator Byrd, Saturday, when he made his comments and suggested that maybe you should cool it

with the rhetoric, suggested that one reason that you didn't have a very good showing on Capitol Hill last week was because of the ineffectiveness of your own lobbying organization. So, I would like to ask you, do you plan to beef that up or are you planning some sort of new strategy? You say the public has to be aroused. What do you plan to do from here on out about this? Perhaps you will make some compromises with Congress on other issues, for example?

THE PRESIDENT. I think that our efforts have been adequate. I noticed that one of the comments from a congressional leader—I have forgotten which one it was—in response to my criticism of the oil and automobile lobbies, was that the most effective lobby on Capitol Hill was the one from the White House. I think we are presenting our views to the Members of the Congress in an adequate fashion.

The agenda for the Congress this year is extraordinarily complex and diverse not only in ethics legislation, reorganization legislation, the construction of a new Department of Energy and energy policy, social security, but also many things concerning air pollution standards, welfare reform to come, and I believe that our presentation of our views in a forceful and fair and objective way to the Congress through my own congressional relations group is adequate. I am proud of them. And I think the differences of opinion that arise between the Congress and myself are not caused by a failure to present ideas. It's just a result of an honest difference of opinion about what ought to be done about these controversial issues.

THE SOVIET UNION

Q. Mr. President, you were attacked rather savagely in the Soviet press last week as "James Carter, an enemy of détente." From your vantage point, do you feel there can be any U.S.-Soviet détente

without respect for observance of human rights on their part?

THE PRESIDENT. Well, obviously, the differences that arise between us and the Soviet Union are the things that are highly publicized. I'm grateful to know that we are beginning this week to work closely with the Soviet Union on a comprehensive test ban treaty to prohibit all testing of nuclear devices underground or in the atmosphere.

They have suggested, along with us, that Great Britain join this negotiation. That's a step in the right direction.

Paul Warnke will begin to negotiate with the Soviet Union within the next week on demilitarization of the Indian Ocean, again a very major step forward if completed. There are continuing discussions between ourselves and the Soviet Union on details of the overall SALT agreement. And, as I have announced earlier, the Secretary of State and the Soviet Foreign Minister will meet at least twice more between now and the expiration date for the present agreement.

So, I think that in general we are moving in the right direction. Our statements concerning human rights, I think, have been well received around the world. We have not singled out the Soviet Union for criticism, and I have never tried to inject myself into the internal affairs of the Soviet Union. I have never made the first comment that personally criticized General Secretary Brezhnev.

But when we pursue aggressively and with determination our commitment to the principle that human beings are to be well treated by governments, that human freedom is one of the highest aspirations and commitments of our country, I think this is the right thing to do. If it hits ourselves as self-criticism, so be it. If it touches the Soviet Union and they interpret it as intrusion, so be it. But we have tried to make this a broad-based approach.

I think it's hard to assess the results of this deep commitment which I think is compatible with the inclinations of the American people. But I don't believe that there is a single leader of a nation on Earth today who doesn't have within his or her consciousness a concern about human rights—how do we appear to our own people, how do we appear to observers from other nations? And as we approach very quickly now the preparation for the Belgrade conference to assess the Helsinki progress—that will take place next October—I think there's a general sense in the world we had better get our own houses in order, we had better make a good image available to the outside world. And the scrutiny that's focused on this issue is constructive.

And I think that the Soviets' reaction against me personally on the human rights issue is a misplaced aim. I have no hatred for the Soviet people, and I believe that the pressure of world opinion might be making itself felt on them and perhaps I am kind of a scapegoat for that adverse reaction on their part.

But I feel very deeply that we ought to pursue aggressively this commitment, and I have no second thoughts or hesitation about it.

AMBASSADOR ANDREW YOUNG

Q. Mr. President, U.N. Ambassador Andrew Young continues to make headlines with his comments about racism.

THE PRESIDENT. Yes. [*Laughter*]

Q. Do you think his words have opened old wounds at home and damaged our interests abroad, or do you welcome this discussion on the nature of racism that he has touched off?

THE PRESIDENT. I think the statements that Andy Young has made are different from what I would have said. The word "racism" has different connotations to different people, as does the phrase "hu-

man rights." I think in almost every instance when Andy has said something that was criticized, if someone read the entire text, how he defined racism, there is no criticism involved. But when you extract the one word, it implies a much heavier condemnation than Ambassador Young meant. I read the transcript of his comments about former Presidents Nixon and Ford. He explained that when he used the word "racism" as it applied to them, that it was not a condemnation, but it was an assessment that they were not familiar with the special problems of black people or minority groups who did not have an opportunity to be vivid in their own consciousness as former Presidents.

I think that, in general, what Ambassador Young is accomplishing for us in dealing with Third World nations, those who are struggling for recognition, those who are struggling against oppressive hunger and disease and poverty, is very good. They now look on the United States as having at least one representative—I hope more—but at least one who understands their problem, who speaks their language, who will listen to them when they put forward their woes and their hopes for the future.

I think we have a new sense in the minds of those kinds of people of caring about them, and to a major degree it's because of their trust in Andy Young.

I'm disturbed that after he spent 17 days in Africa, sometimes at some considerable danger to his own self, that a remark about Sweden was a major headline that derived from that entire, very fruitful visit on his part to that continent.

Andy is concerned also. He pointed out to me in a private meeting this past week that he thought it was time for him to shift his emphasis more toward other developing nations outside of Africa, in

Asia, in this hemisphere, and so forth. I agree with him on that. But, in general, I think that Andy Young has been a superb representative of our country. And I think that his use of the word "racism" has clouded the issue and has brought perhaps undeserved criticism on himself.

RETIREMENT SYSTEMS

Q. Mr. President, you have taken a pretty strong position on double-dipping. I want to ask a question about single-dipping. [*Laughter*]

How do you justify a system under which a million and a half government workers retire, take full-time jobs, and draw full pensions, whereas 30 million social security retirees, if they work, don't get any pension?

THE PRESIDENT. I don't try to justify it. I don't think it's right, and I don't think it's fair. We've had two meetings recently concerning the retirement system and a need for it to be reassessed and perhaps changed. I think there's a wide difference in the retirement benefits that can be expected among Americans who have done the same work as a background and who have contributed widely varying amounts of money into their own retirement system. I think it's time for a Presidential level blue-ribbon commission to look at this whole question, the single-dipping, the double-dipping, triple-, sometimes quadruple-dipping into retirement benefits.

There is another question that's been addressed, at least as far as private retirement systems is concerned, and that's whether or not they are financially sound.

Many government retirement programs are unsound, particularly at the local level of government, some at the State level of government. And this is a very dangerous thing for the security of many public servants in our country, presently and in the past.

So, I think the entire system of retirement needs to be examined very carefully. And although I haven't announced it publicly before, I intend very quickly to appoint a commission to give me advice on what ought to be done to correct these inequities.

Marilyn [Marilyn Berger, NBC News].

U.S. DIPLOMATIC RELATIONSHIPS

Q. Mr. President, on Saturday you spoke about aggressively, peacefully challenging the Russians in their own spheres. Could you please elaborate on those remarks and explain how this differs, for example, from the cold war, which in some cases led to hot war, as in Korea and Vietnam?

THE PRESIDENT. Yes. The comment that I made was—with an emphasis on peaceful competition—was to win the friendship of nations that in the past have not been close to us who may have been heavily influenced by or very closely friendly with the Soviet Union and who may still be.

I think this is a normal and a proper hope for our country. We don't want to be in a position that once a country is not friendly to us and once they are completely within the influence of the Soviet Union, they should forever be in that status.

And as I have already indicated and named several countries—Somalia, Ethiopia, Iraq, even more controversial nations like Vietnam, Cuba—I want to move as best I can to reestablish normal, friendly relationships with those countries.

In some instances the obstacles are quite severe, as in the case of Cuba and perhaps Vietnam, but I think this is what our government ought to do, and I would like to have a situation when I go out of office that all the nations in the world have diplomatic relationships with us.

We now have 14 who don't. And I've been pursuing this aggressively, to use the word that you described, and also I think that I am completely in harmony with the Secretary of State and others who work with me on this pursuit.

Mr. Mohr [Charles Mohr, New York Times].

ANATOLY SCHARANSKY

Q. Mr. President, to follow up on your remarks about human rights, Mrs. Anatoly Scharansky, the wife of a Soviet dissident who is under arrest, is visiting in the United States, and yesterday she expressed interest in seeing you to ask you to intervene in this case. I'd like to ask, do you think that this sort of thing can be useful, and do you plan to see her?

THE PRESIDENT. I don't have any plans to meet Mrs. Scharansky, but I have inquired deeply within the State Department and within the CIA as to whether or not Mr. Scharansky has ever had any known relationship in a subversive way or otherwise with the CIA. The answer is no. We have double-checked this, and I have been hesitant to make that public announcement, but now I am completely convinced that contrary to the allegations that have been reported in the press, that Mr. Scharansky has never had any sort of relationship to our knowledge with the CIA.

B-1 BOMBER

Q. Mr. President, in the context of your campaign you said a number of times that the B-1 was an exotic weapon which should not be built. Now you've given two sets of Congressmen who met with you last week the impression that even though this is the most expensive plane that ever would have been built, that you are about to go ahead.

Can you comment as to whether you have made a decision; and whether you

have or not, what leads you to reconsider? What factors make you rethink this compared to what you said in the campaign?

THE PRESIDENT. Well, I have not made a decision about what I will do concerning the B-1 bomber. As you know, the Congress, late in 1976, in effect put the B-1 bomber construction in a dormant stage and permitted the expenditure of a certain amount of money per month to build a few B-1 bombers to keep the program alive.

I'll make a decision before the end of this month. I have received a great deal of conflicting advice from those who work closely with me and was eager to meet with one group of Members of Congress who were against the B-1 bomber to hear their arguments and then later met with a group who were for the B-1 bomber—I think the other way around. But both groups presented their views very strongly and very effectively to me. I think now is the time for me to perhaps on my own and perhaps in a lonely way to make a final judgment.

There are major factors involved—the status of our relationship with the Soviet Union in the SALT talks, the quality that we have seen in the latest test of the B-1 bomber, its radar cross-section and the effectiveness of present and future electronic countermeasures, the effectiveness of substitutes for it, the cruise missile being one of those, and in the overall context of our tactical and strategic needs I'll make a judgment before the end of this month.

FRANK CORMIER [Associated Press]. Thank you, Mr. President.

[President Carter's ninth news conference began at 2:30 p.m. in Room 450 of the Old Executive Office Building and was broadcast live on radio and television. Following the news conference, the President remained in the room to answer questions from reporters on an informal basis, as follows:]

Q. Have you sent in your tax forms?

THE PRESIDENT. I think it has been waiting until Rosalynn got back to sign it. I am sure it went in today.²

Q. All done?

THE PRESIDENT. We had until the 15th of June, yes.

Q. Mr. President, the House, as you know, is considering a public works bill with \$200 million worth of water projects money. If that bill reaches your desk in its present form, can you say now whether you would veto it or not?

THE PRESIDENT. I would rather not say specifically what I will or will not do. The Senate and the House both have to consider it and the conference committee, and it will have to get to me. I'd rather wait until later to decide whether or not I will veto it.

Q. The last time we asked you about tax reform you said you hoped that there would be no loss to the Treasury as a result of your tax reform plans. And since then, Secretary Blumenthal has indicated that there probably will be some revenue loss. Where is the administration on this question, and how much loss can you accept and still balance your budget?

THE PRESIDENT. No decisions have been made about tax reform. I think it was Mr. Schultze who made that comment, unless both of them did, but I think it's premature to say yet what will be done about tax reform. We are having a series of meetings about it, and the decision will be made early enough. I just don't have any—

² At his news conference at the White House on June 16, Press Secretary Jody Powell stated that the President and Mrs. Carter had decided to take a few more days to look over their tax returns before filing them. Mr. Powell said that an extension of the filing deadline had been requested by the President's accountant, Robert Perry.

Q. Mr. President, you seem to have changed your views somewhat since the campaign about the B-1. Is that accurate?

THE PRESIDENT. I don't think that you could detect what my view might be. I'll make that decision this month.

Q. You no longer seem to view it as an exotic weapon that shouldn't have been built. Even though you haven't made your final decision, what you said today seems to be in somewhat of a different context than the campaign. You seem to think it's a very serious question one way or the other and that—there's a different tone to it. Am I wrong?

THE PRESIDENT. Well, during the campaign, many of the observers of my effort said I was so fuzzy on the issue that they couldn't understand what I was saying. Since I have become President, people have an almost exact capability of discerning what I said during the campaign. It's hard to correlate the two.

But one of the things that I was concerned about during the campaign was that in spite of the fact that the tests on the B-1 bomber were not supposed to be completed until last November, early in the spring President Ford came out in favor of a construction program. I haven't decided yet what to do. But when I make a judgment, I think you would agree with me that I made the best judgment within my ability.

Q. Mr. President, you were talking about Government retirement systems and public retirement systems. Are you satisfied that the Federal retirement systems are sound, at least—

THE PRESIDENT. I think so.

Q. —And that they're equitable?

THE PRESIDENT. You mean the major retirement system for the Federal employees?

Q. Yes.

THE PRESIDENT. Yes, that's sound. And so is the social security system sound up until this moment. But unless the Congress takes fairly quick action to implement reforms, it will not be sound. One of the major social security funds will be exhausted in 2 years; another one 4 years later. But I am sure the Congress won't let that need slip by without taking action.

Q. Could you tell us how you could consider giving Cuba diplomatic recognition—

THE PRESIDENT. We have not recognized Cuba.

Q. —and how you'd consider this, though, as a future action until Castro releases some of these thousands of people that he is holding as political prisoners and until he withdraws some of his troops from Africa?

THE PRESIDENT. Those are two of the items that I have said would be of deep concern to me before we could normalize relationships with Cuba. The consultation with Cuba, the exchange of ideas with Cuba, the working out of a fisheries agreement or a maritime agreement or hopefully an anti-hijacking agreement—those kind of things I think are perfectly legitimate. But there is no immediate prospect for diplomatic recognition and exchange of Ambassadors with Cuba.

Q. Would you insist that he bring his troops home from Africa?

THE PRESIDENT. That is one of my expectations.

Tom C. Clark

Statement on the Death of the Former Associate Justice of the Supreme Court. June 13, 1977

With the death of retired Supreme Court Justice Tom C. Clark, the Nation

has lost a devoted jurist, and the legal profession has lost a tireless and perceptive advocate of judicial reform.

Tom Clark's public career spanned exactly half a century. He will be remembered for his participation in Supreme Court decisions that helped shape the attitudes and outlook of our times. In retirement, he traveled widely and spoke eloquently of the need to make the Federal judiciary more responsive and efficient. His candor and his good will are certain to be missed. I extend my sincerest sympathy to his wife and family.

NOTE: Tom C. Clark served as an Associate Justice from 1949 to 1967.

The Honorable Tom C. Clark

Executive Order 11996. June 14, 1977

As a mark of respect to the memory of the Honorable Tom C. Clark, former Associate Justice of the Supreme Court of the United States, it is hereby ordered, pursuant to the provisions of Section 4 of Proclamation 3044 of March 1, 1954, as amended, that until interment, the flag of the United States shall be flown at half-staff on all buildings, grounds and naval vessels of the Federal Government in the District of Columbia and throughout the United States and its Territories and possessions. I also direct that the flag shall be flown at half-staff for the same length of time at all United States embassies, legations, consular offices, and other facilities abroad, including all military facilities and naval vessels and stations.

JIMMY CARTER

The White House,
June 14, 1977.

[Filed with the Office of the Federal Register,
1:58 p.m., June 14, 1977]

Skytrain Service

Statement on Approval of the Skytrain Application. June 14, 1977

I strongly endorse and have approved the decision of the Civil Aeronautics Board permitting Laker Airways to provide low-fare "Skytrain" service for 1 year between New York and London.

The Skytrain service will offer substantial new benefits to consumers. The fare from London to New York will be \$101.48, and \$135 from New York to London.

I believe that low-cost air service should also be available to passengers traveling within the United States. I therefore reaffirm my strong commitment to legislation currently before Congress to guarantee that proposals to offer low-fare service in domestic markets receive prompt and favorable attention by the CAB.

Federal Audiovisual Activities

Announcement of an Office of Management and Budget Memorandum Proposing Improved Management. June 14, 1977

The Office of Management and Budget today sent to the heads of executive departments and agencies a proposal for improving the management of Federal audiovisual activities.

Proposed new policies contained in the memo are designed to bring about more effective use of facilities and materials throughout the Government in the audiovisual area.

This matter has concerned the President, and he asked that proposals be developed for more effective practices. Today's move is the first management step to ensure that all interested parties in the private sector as well as in the Fed-

eral agencies have adequate opportunity to participate in the decisionmaking process.

At the same time, a task force appointed by Cabinet officers continues to search for ways to reduce waste and inefficiency in this area of the Federal Government.

Year-End Buying by the Federal Government

Memorandum for the Heads of Executive Departments and Agencies. June 14, 1977

Memorandum for the Heads of Executive Departments and Agencies

Subject: Control of Year-End Buying

Your support thus far in our efforts to eliminate duplication and waste in the Federal Government has been gratifying. I appreciate, in particular, your determination and willingness to re-examine existing programs and practices and to apply new procedures and concepts (such as zero-base budgeting) so as to achieve more efficient management and operation of Federal programs.

Consistent with these efforts, I want to bring to your attention a potential problem that needs to be addressed by all of us—"year-end buying." This becomes a problem when an agency rushes to use funds in the last few weeks of the fiscal year without clear and desirable reasons for doing so. Such a practice is generally an attempt to use up funds that would otherwise lapse because the availability of unobligated funds is greater than is necessary to carry out approved programs.

I do not want "year-end buying" to undermine or offset any efforts to reduce costs and eliminate waste. Prudence must be exercised at all times in purchasing goods and services. Special attention is

needed at the year's end to resist the temptation to use up available appropriations unnecessarily. Accordingly, I ask that each of you issue internal instructions in your department or agency to assure that:

- obligations for the fourth quarter of the fiscal year do not exceed obligations for the third quarter, except where a higher level is fully justified to carry out a seasonal requirement or an essential program objective or to restore to approved levels in an orderly way a program which has slipped behind schedule.
- orders for supplies, materials, and equipment are kept to the minimum required to meet approved program needs.
- purchases are managed so that inventories are maintained at low optimum levels.
- additional purchase orders and contracts for goods or services (for delivery extending into the next fiscal year) are let when doing so results in a cost advantage to the Government.

I count on your full cooperation and personal attention in maximizing the economies that can be achieved through rational control of year-end buying.

JIMMY CARTER

United States–Republic of China Agreement on Shoe Imports

Announcement of Signing of an Orderly Marketing Agreement. June 14, 1977

The United States and the Republic of China (ROC) today signed a 4-year Orderly Marketing Agreement (OMA), under which Taiwanese exports of non-rubber footwear to the United States will

be limited to levels well below their record high of 156 million pairs in 1976. The agreement, signed by Ambassador James Shen of the ROC, and Robert S. Strauss, President Carter's Special Representative for Trade Negotiations, was announced by Ambassador Strauss.

Negotiation of a similar agreement between the United States and the Republic of Korea is nearly complete and is expected to be announced next week, Ambassador Strauss reported.

In announcing the OMA with Taipei, Ambassador Strauss commended the Governments of both the Republics of China and Korea for their "cooperative statesmanship" in developing "fair and equitable negotiated solutions" to pressing international shoe trade problems.

"Any agreement such as the one we have just concluded," Ambassador Strauss noted, "represents a temporary trade restriction which the President has said he is very reluctant to take. These [Orderly Marketing] Agreements are not the ideal long-term solutions to our trade problems."

"Our agreement with Taipei, however," Strauss said, "is a useful, effective, and acceptable way of giving one of our basic domestic industries a reasonable temporary period in which to adjust to severe, sudden, short-term market disruptions, and to become more competitive—which is essential in the long run. As such, it comes to grips with an immediate economic problem, which if allowed to continue to fester, could cause injury to our workers and industry to reach such proportions as to fuel the fever of protectionism. In this total context," Strauss observed, "we have just administered an emergency antiprotectionist prescription."

Ambassador Strauss also noted that "in accordance with President Carter's instructions, the Departments of Commerce and Labor and my Office are working on

a newly designed Federal Trade Adjustment Assistance program which will deliver much more effective help to trade impacted domestic firms and workers. Details of this proposed new program will be announced before the end of this month."

The OMA with Taipei provides that in the first year, from June 28, 1977, through June 30, 1978, ROC exports to the United States of three categories of nonrubber footwear—leather, plastic, and "other"—will not exceed 122 million pairs. This quota will be increased by 3 million pairs in each of the succeeding years, 1978–79, 1979–80, and 1980–81, up to a limit of 131 million pairs in the final year of the agreement. Each of the three footwear categories has a separate sub-limit. Exports of felt footwear liners under the international Multifiber Arrangement (MFA) are not included in these quotas.

The Republic of China has assured the United States in side letters to the agreement that it will not permit disruptive shifts in the type, material, or price range of footwear that it exports, and that it will not circumvent the agreement by disruptively shifting into lines of footwear that technically are not covered by the OMA, but that in fact compete with lines of shoes that are covered.

The OMA also provides that if other U.S. footwear export suppliers should move to take advantage of Taipei's export limitations by unduly increasing their shipments to the United States, the United States may take unilateral action to correct the inequities.

This OMA, and a similar draft agreement with Korea, were approved by President Carter as appropriate import relief, in the national economic interest under the Trade Act, to remedy serious injury to domestic footwear makers and workers, which was found by the U.S. International Trade Commission (USITC) to have

been substantially caused by increased imports. The USITC had recommended a system of tariff-rate import quotas, which the President rejected as not being in the national economic interest.

U.S. imports of nonrubber footwear increased from 265 million pairs in 1974 to 370 million pairs in 1976. Of this 105-million-pair increase, Taiwan accounted for 68 million pairs and Korea 36 million pairs, for a total of 104 million, or 99 percent of the increase over the 2-year period.

The OMA provides for consultations on any future-year quota adjustments warranted by conditions in the domestic footwear industry and other economic factors; the USITC will monitor conditions in the domestic footwear industry as well as any inflationary impact of the agreements on U.S. consumers and prepare appropriate reports on a quarterly and yearly basis. Ambassador Strauss noted in this connection that the agreement should not have any significant inflationary impact nor adverse effect upon consumers.

NOTE: A summary of the principal provisions of the footwear agreement was also included with the release.

Conference on HIRE

Remarks to Participants in the Conference. June 14, 1977

I want to introduce to you a good friend of mine who is in the back, Johnny Cash, and his wife, June Carter, whom I have always claimed as my cousin, and their son John Carter, who is also a person that I claim as my cousin.

Johnny is the kind of man who has had hard times in his own life, who has overcome them because he had friends who believed in him, and who is now devoting a major part of his own great talent to the service of other people.

I'm very proud of his friendship. I've

known him now for almost 10 years. He and June and John Carter have been down to Plains to visit my relatives and friends. And I think his own great success in life is because at a crucial time somebody gave him a chance. And that's what I came this afternoon to talk to you about very briefly.

You men and women are very successful. You've enjoyed the benefits of our own free Nation, our system of government, and our system of economics that gives you a chance to excel and you've done so, because of your own talent and ability, of course, but also because you had a chance.

And I am sure, as you are, that there are hundreds of thousands of people in this country just as intelligent and competent as you and me who are in deep despair and whose families might be broken and who have not benefited from a framework of our own governmental system.

Our country is one that's proud of its achievements. We've been through hard times in war. My father was in the First World War; he came out as a first lieutenant. And I went into the Navy in 1943 and came out after the Korean war. My own son went to Vietnam as a volunteer.

I always felt that the neighbors and friends that I had recognized me as a hero when I came home. I wasn't. All I did was wear the uniform and was willing to serve. I never did anything heroic. But I was appreciated. And I was proud. And my neighbors and friends were proud of me and they let me know it.

Well, that was not the case in the recent war in Vietnam. It was not a popular war. Most of the young people who went were too poor to hide in college and escape the draft; others went, like Max Cleland, who already had a college education, because he was highly patriotic and deeply motivated.

But there has been in our country, and still is, unfortunately, a sense among some that the young men and women who did go to Vietnam are somehow not to be admired, but despised and not to be appreciated, but castigated.

Well, I feel this very deeply because most of my neighbors and friends at home in a rural, backward area are too poor and did not have the influence or motivation or knowledge to escape the draft, and they went to Vietnam. A lot of them are black. A lot of others are Spanish-speaking. And a lot of others have marginal capabilities, but they went.

Well, now our Nation is healing its wounds. We are proud of the fact we were finally extricated from the Vietnam involvement. And we are trying to repair our image around the world as a nation who made a mistake. And we feel secure once more, and feel clean once more, and proud once more, but we still have a tremendous number, hundreds of thousands, of young men in their early twenties or later who don't have the education and don't have the background and don't have the job security because they did go to fight for our country.

Well, I feel responsible for them, and your presence here indicates that you feel responsible for them, too. We are looking for jobs for those young people. We have got more than a half million Vietnam veterans who don't have jobs. And under our own economic stimulus package which the Congress has passed almost in its entirety, we asked for training and education programs to put people in jobs—about \$6.8 billion. We wanted 35 percent of that to go to Vietnam veterans and other veterans. That was not approved, but we believe that of the 725,000 public service jobs, that local officials, State officials will try to give places and opportunities for those young veterans.

You are here because you volunteered to help in your own businesses. You represent some of the largest corporations and most capable employers in our country. And we hope that you will employ, without unnecessary delay, at least 140,000 of these young people who are eager to work, but who don't have yet a chance to do so.

We have money available to help, I think about \$1,000 per veteran, that we can give for training and for placement, and this won't nearly meet the cost to you perhaps. I hope that when you leave this meeting, after being inspired by Bill Miller to do your utmost, that you won't be satisfied with 5 or 50 placements, if you have a nationwide company, but that you will try to have maybe 500 or 1,000.

We need to demonstrate, I think, perhaps, even in a slightly sacrificial way on your part, that we believe in our young people and that we appreciate them.

Now, I've got sense enough to know that sometimes we might take a chance in hiring someone who has been disappointed and who has not yet been successful. But I hope that we can approach this very fine demonstration of concern and compassion and trust in the young men and women involved and also in our country's system to make a success of this effort.

Ray Marshall and the others in the Labor Department have done a lot of work on it and I and my staff have done a lot of work on it. But the success of it depends on you, and I am not here to give you a pep talk, but to give you an accurate sense that we are forming a partnership. I am eager to help every way I can with public statements, with the allocation of funds, with proper administration. And I think this would be indicative of a challenge that is difficult but one that can be successfully met.

My overwhelming sense is one of appreciation to you and my eagerness to show

you that I will do my share of the work if you will do yours.

We have, I think, a lot of young people who are watching to see if we can be successful. Perhaps, Bill, if there might be some other point that you would like for me to make, or Max Cleland? I know that most of you know each other, but I just want to express again my deep thanks to you and my hope that you will even exceed the fairly modest goals that we have set for ourselves.

Thank you very much.

NOTE: The President spoke at 4:30 p.m. in the East Room at the White House. Attending the conference were members of the President's Committee on HIRE (Help through Industry Retraining and Employment), an organization formed to aid in the training and hiring of veterans in private industry.

In his remarks, the President referred to entertainers Johnny Cash and June Carter, Max Cleland, Administrator of Veterans Affairs, and G. William Miller, Chairman of the President's Committee.

1977 Inaugural Portfolio Presentation

Remarks on Receiving the Portfolio at a White House Reception for the Artists. June 14, 1977

TOM BEARD. On behalf of the 1977 Inaugural Committee, it gives us a great deal of pleasure to present the 1977 Inaugural Portfolio to the President and First Lady. I'll introduce the artists from my right to the left.

First, Bob Rauschenberg.

MR. RAUSCHENBERG. I couldn't read Thomas Jefferson's writing. I wanted to use the part of the Declaration of Independence that was censored out.

THE PRESIDENT. I like what you wrote.

I think all of you know that these artists have made a tremendous contribution, not only to American art and the cultural sci-

ences but also to the right and the opportunity of hundreds of thousands of American visitors to Washington during Inauguration week, to have access to the cultural events and the museums before and between the Inaugural ceremonies. And this series of paintings, I think, is indicative and proof of the fact that for the last 25 or 30 years, American artists have dominated the visual arts throughout the world. I am very proud of that, and I think that is something that I wanted to point out to you.

I don't know how many of you know Mr. Rauschenberg's comment up here: "A new President and a land older than most volunteer to count, carrying its raw, scratched, scarred spirit reunited, the people are moving, their needs guide the laws that lead to legal insistence that the people and the land are inseparable. Change is not a contest. Change is survival's praise."

I think that's really beautiful, and I'm proud of the fact that he showed me as a father. Congratulations.

MR. RAUSCHENBERG. I wouldn't have written it if I could read Thomas Jefferson's handwriting. [*Laughter*]

THE PRESIDENT. I see. Thank you very much.

MR. BEARD. Next is Mr. Roy Lichtenstein.

THE PRESIDENT. Mr. Lichtenstein's work is indicative—I am not trying to interpret the paintings for him, because I've never talked to them before about their own work so I am treading on dangerous ground here—but I think it shows the symbolism—to me it shows the symbolism of the oath—the fact that I am tied to the people. And I believe that this is a very good expression of the vitality of Inauguration Day. I think it shows very clearly also a sense of justice, of stability, of age, but also something coming of age.

Now, I think if he interpreted his own work, it might be quite different from

what I said. But I think it's really great. Is that okay?

Thank you very much. I am really proud of you. I was intrigued with the little cactus which kind of looks like a hand upraised taking the oath of office.

MR. BEARD. Next is Mr. Jacob Lawrence.

THE PRESIDENT. The one thing that I like about this beautiful painting is that it shows the most important ingredient of an election, an inauguration, and a nation, and that's a people. And I think it shows the kind of a bright, clear spirit that did exist on Inauguration Day. Now, I have to admit that I had a biased viewpoint on Election Day, but to me everything looked clear and rosy and beautiful and hopeful, and I hope that all of you felt the same way. But this painting, I think, very accurately describes how the people reacted to the inauguration.

Thank you very much. I am proud of you.

MR. BEARD. Next is Mr. Jamie Wyeth.

THE PRESIDENT. Jamie, how are you doing?

Although I haven't known the other three artists personally, Jamie Wyeth is one of my friends that I have known for a long time.

He has been helpful to me in many ways. He came down to Plains and got to know my friends and my relatives and my home when I was selected as the Man of the Year by Time magazine. I was very proud that they chose Jamie Wyeth's painting of me before the Plains water tank to go on the cover of Time.

I think that this—it's the first experience with this kind of art, is it not, Jamie, this printing? But I think it shows again the great interrelationship between different events that took place during the Inauguration Day and leading up to it, and I am very grateful, Jamie, that you've helped again in this way.

I think this symbolizes also a very good sense that people do participate in all the aspects of politics and government and what a nation is now and what a nation can be in the future.

I am very proud of you.

MR. BEARD. And last, but certainly not least, Mr. Andy Warhol.

THE PRESIDENT. Andy, how are you doing? Who said he wasn't least? [*Laughter*]

Andy Warhol is also a very good friend of mine. He came down to Plains to visit us, and when he left, I have to admit I was very disappointed. He had about a \$25 camera and he was going to help us raise an enormous amount of money during the campaign—enormous amount to us then, and it turned out to be very successful. And his first painting of mine, which was distributed in a very limited edition and which has magnified over and over in value already, was one of the turning points in the financing of our campaign.

He did it to help me and to help the Democratic Party, and I think that his painting of me, based on that photograph, was superb. It kind of grows on you. [*Laughter*]

I do think that this new one is different. The first one was frowning and scowling and worrying because I was broke, I had lost some primaries, I didn't know where I was going to go next, and the fact that Jamie Wyeth and Andy Warhol were willing to help me kind of turned the tide.

And now I think it's very significant that this picture is smiling. And I am going to try to keep myself smiling and maybe all of you smiling for the next 4 years.

But Andy, I do really thank you for it.

I particularly want to thank Tom Beard for making all of this possible and also—is Joan Mondale here? I didn't see

Joan. I know Fritz—here she comes. I think Joan is adding a lot to American art and music and drama, don't you? [Applause]

Where is Frank—Frank Fowler—and Gil Kinney? Hi, Frank. Thank you again very much.

Is Mr. Kinney here? We want to thank you both.

You know, I think it is really remarkable and gratifying that people like Frank and Mr. Kinney can come in, along with Tom Beard and others, and just say this is something that needs to be done. It'll add a distinctive acquisition to those who want to remember the Inauguration Day, and it kind of exhibits a wide diversity of artistic ability and talent, and it also helps to finance the opportunity for literally hundreds of thousands of people to be well occupied in cultural events during inauguration.

So, I think the culmination of all this effort is really something that I will never forget. I had nothing to do with it. I was just a participant and also one who enjoyed the fruits of their great work and their great talent.

And I thank all of you for coming to commemorate this occasion. Thanks a lot.

NOTE: The presentation ceremony began at 4:40 p.m. in the State Dining Room at the White House. Tom Beard was the coordinator of the Inaugural Portfolio project. In his remarks, the President referred to art dealer Frank Fowler and art collector Gil Kinney.

Department of the Treasury

Nomination of Robert H. Mundheim To Be General Counsel. June 15, 1977

The President today announced that he will nominate Robert H. Mundheim, of Philadelphia, Pa., to be General Counsel of the Department of the Treasury.

Mundheim is the Fred Carr Professor of Law and Financial Institutions at the University of Pennsylvania Law School; professor of finance at the Wharton School; and director of the University of Pennsylvania Law School Center for Study of Financial Institutions.

Mundheim was born February 24, 1933, in Hamburg, Germany. He received a B.A. from Harvard University in 1954 and an LL.B. from Harvard Law School in 1957. He served in the U.S. Air Force in 1961 and 1962.

Mundheim was with Shearman & Sterling in New York City from 1958 to 1961. He was special counsel on Investment Company Act matters at the Securities and Exchange Commission in 1962 and 1963. He was a visiting professor of law at Duke Law School in 1964 and has been at the University of Pennsylvania Law School since 1965.

National Rural Electric Cooperative Association Youth Tour

Remarks to Participants in the Tour. June 15, 1977

Midge seemed to have lost part of our audience, and I thought I'd rescue her. When she talks about being close to the people, you know, I have to prove that I can do that.

You are nice to come to Washington, and you are nice to come out to the White House this afternoon. I understand that after a few minutes you will have a chance to see the center of the executive branch of Government.

As you know, John Adams was the first President who lived here. He was not only the second President but George Washington's Vice President. And this is a place of great historic importance.

You represent, this afternoon, a very important part of my own life. I grew up on a farm that didn't have any electricity. I don't know how many of you have ever milked six cows by hand or spent half the summer with a cross-cut saw cutting oakwood for the fireplace or chopping stove wood or putting kerosene in lamps or watching Aladdin lamps go up in smoke.

I don't know if you've ever had any of those experiences. But I think the best day of my life, the one that I remember most vividly, with the possible exception of my wedding day, was the day they turned the lights on in our house back in 1936 or 1937.

Also, the bringing of the rural electric program to the farms of our Nation made it possible for us to stretch our hearts and stretch our minds to encompass public involvement in affairs that would not have been possible without the rural electric program.

My own father was bound to the farm because our workday started before daylight and it didn't get over in the field until sundown, and there was no time left over for the shaping of policy in the school system or the hospital authority or the State legislature or in national affairs, concerning the REA at that time. And with that coming of electricity came a liberation of people from the drudgery of farm work.

I am very glad that this program was initiated, I think, by then Senator Lyndon Johnson, who thought that young people who were interested in agriculture directly or indirectly ought to have a chance to expand your own interests and to stretch your hearts and minds and come to Washington to see the inner workings of the Government.

You've been in Washington almost as long as I have. I'm not an old hand here. With the exception of my Navy service, I never had a chance to work in the Federal Government before. But I'm learning very

rapidly. I found that many Members of the Congress are eager to give me their advice and their criticisms and to teach me how to be a better President.

And I think the thing that is most important is the chance that I had for 2 years to travel around to every one of your States, to get to know people that you know in politics or other public affairs, and to learn how great our Nation is and how much greater it can be in the future.

The last point I want to make is this: You, being young, have a sense of innovation, a lack of reverence of what is our present societal structure, and a willingness to analyze and to put into effect changes and improvements. And I hope you won't ever forget to do that during this formative stage of your lives because we have got a lot to do together.

Our country has made some bad mistakes in the past. We are trying to correct some of those mistakes. We are trying to move to the future with confidence.

As I said at Notre Dame last month, I have complete, sure feeling that the democratic systems in the world can prevail because our governmental structure, our political structure is based on human freedom, on the preservation of the individualities that comprise each person, and on the protection of basic human rights.

And I hope that in your own lives, no matter what it might be in the future, in business or professions or agriculture or education or politics, that you will keep those thoughts in mind.

What did George Washington stand for? What did John Adams and Thomas Jefferson and others who have lived here in this house stand for? What was their original concept of our country? How can it be an even better nation? And what can you contribute?

You are lucky to be able to come to Washington. Many other young people who are in your class in school are just as

competent, just as intelligent as you are, but this gives you a chance to go back with a new vision of what our country is.

I'm glad that you have come to be with us this afternoon. We have enjoyed being here in the White House this first 5 months. I hope that what I have done has opened up some of the difficult decisions to public scrutiny, understanding, and debate among our people.

I feel at ease with the job. I don't feel that I know all the answers, but I do know that I am constantly searching for answers. And your advice and the support that you might give me in the programs with which you agree would be very crucial.

So, when you get back home, tell the folks that we've still got a good country, we've got a good Government, it can be better, and that you and I together are trying to make it better.

Thank you very much for letting me be with you.

NOTE: The President spoke at 1:30 p.m. on the South Lawn of the White House before a group of approximately 900 young people representing rural electric systems in 24 States.

In his opening remarks, the President referred to Midge Costanza, Assistant to the President for Public Liaison.

Alloy Tool Steel Imports

Proclamation 4509. June 15, 1977

MODIFICATION OF TEMPORARY QUANTITATIVE LIMITATIONS ON THE IMPORTATION INTO THE UNITED STATES OF CERTAIN ARTICLES OF ALLOY TOOL STEEL

By the President of the United States

A Proclamation

1. Proclamation No. 4445, of June 11, 1976, as modified by Proclamation No.

4477 of November 16, 1976, imposed quantitative restrictions on the importation of certain articles of specialty steels. Section 203(h)(4) of the Trade Act of 1974 (the Trade Act) (19 U.S.C. 2253(h)(4)) permits the President to reduce or terminate any such restrictions if, after taking into account advice received from the United States International Trade Commission (USITC) and after seeking advice from the Secretaries of Commerce and Labor, the President determines that the reduction or termination is in the national interest.

2. I have sought and received advice from the USITC and from the Secretaries of Commerce and Labor concerning the effects of excluding alloy tool steel provided for in item 923.25 of the Tariff Schedules of the United States (TSUS) from the quantitative restrictions imposed by Proclamation No. 4445, as modified by Proclamation No. 4477. I have determined, after considering that advice, that the exclusion of alloy tool steel provided for in item 923.25, TSUS, from such quantitative restrictions is in the national interest.

3. Accordingly, the purpose of this proclamation is to terminate in part Proclamation No. 4445 of June 11, 1976, as modified by Proclamation No. 4477 of November 16, 1976, so as to exclude alloy tool steel provided for in item 923.25, TSUS, from the present quantitative restrictions. The authority for this action is set forth in section 203(h)(4) (19 U.S.C. 2253(h)(4)), and section 125(b) (19 U.S.C. 2135(b)) of the Trade Act.

NOW, THEREFORE, I, JIMMY CARTER, President of the United States of America, acting under the authority vested in me by the Constitution and the statutes of the United States, including sections 125 and 203 of the Trade Act (19 U.S.C. 2135 and 2253, respectively), do proclaim that—

A. Subpart A, part 2, of the Appendix to the TSUS (19 U.S.C. 1202) is modified as follows:

(1) by modifying headnote 2(a)(iii) to read as follows:

“(iii) The term “*alloy tool steel*” in item 923.26 refers to alloy steel which contains the following combinations of elements in the quantity, by weight, respectively indicated:

not less than 1.0% carbon and over 11.0% chromium; or

not less than 0.3% carbon and 1.25% to 11.0% inclusive chromium; or

not less than 0.85% carbon and 1% to 1.8% inclusive manganese; or

0.9% to 1.2% inclusive chromium and 0.9% to 1.4% inclusive molybdenum; or

not less than 0.5% carbon and not less than 3.5% molybdenum; or

not less than 0.5% carbon and not less than 5.5% tungsten;

but does not include any of such alloy tool steel which contains, in addition to iron, each of the following elements by weight in the amounts specified:

carbon: not less than 0.95 nor more than 1.13 percent;

manganese: not less than 0.22 nor more than 0.48 percent;

sulfur: none, or not more than 0.03 percent; phosphorus: none, or not more than 0.03 percent;

silicon: not less than 0.18 nor more than 0.37 percent;

chromium: not less than 1.25 nor more than 1.65 percent;

nickel: none, or not more than 0.28 percent;

copper: none, or not more than 0.38 percent;

molybdenum: none, or not more than 0.09 percent;”

(2) by deleting headnote 2(a)(iv) and redesignating headnote 2(a)(v) as 2(a)(iv).

(3) (a) by deleting the last sentence from headnote 2(f); and

(b) by deleting item 923.25 from the tabulation in headnote 2(f).

(4) (a) by deleting “923.24” from the superior heading to items 923.20 through 923.26 and substituting therefor “923.-26”; and

(b) by deleting items 923.25 and 923.-26 and their immediately superior heading and substituting therefor the following:

Item	Articles	Quota Quantity (in short tons)		
		Effective on or after—		
		June 14, 1976	June 14, 1977	June 14, 1978
923. 26	Alloy tool steel of the types provided for in items 608.52, 608.76, 608.78, 608.85, 608.88, 609.06, 609.07, and 609.08 within the specifications of headnote 2(a)(iii):			
	Japan.....	3, 500	3, 700	3, 800
	European Economic Community....	3, 400	3, 500	3, 600
	Canada.....	1, 900	2, 000	2, 000
	Sweden.....	8, 500	8, 600	8, 700
	Austria.....	6	2, 322	2, 385
	Other:			
	Countries entitled to the rate of duty in rates of duty column numbered 1 (total).....	3, 600	1, 378	1, 415
	Other (total).....	None	6	6

B. The modifications of subpart A of part 2 of the Appendix to the TSUS, made by this proclamation, shall be effective as to articles entered, or withdrawn from warehouse, for consumption on and after the date of publication of this proclamation in the FEDERAL REGISTER.

IN WITNESS WHEREOF, I have hereunto set my hand this fifteenth day of June in the year of our Lord nineteen hundred and seventy seven, and of the Independence of the United States of America the two hundred and first.

JIMMY CARTER

[Filed with the Office of the Federal Register,
4:26 p.m., June 15, 1977]

NOTE: The proclamation was not issued in the form of a White House press release.

Comprehensive Employment and Training Act Amendments of 1977

*Statement on Signing H.R. 2992 Into
Law. June 16, 1977*

I have signed into law, H.R. 2992, the Comprehensive Employment and Training Act Amendments of 1977.

This bill provides a 1-year extension of appropriation authority for the Nation's basic system for furthering employment and training opportunities for the unemployed and economically disadvantaged. It is also the authority for many of my economic stimulus employment programs.

I requested a simple extension for 1 year, fiscal year 1978, so that my administration could quickly provide needed temporary employment and training programs under my economic stimulus program. In the coming months, we will have the time to review with the Congress the issues and concerns for the employment and training system of the future. The

results of our mutual deliberations will form the basis for legislative recommendations for the next session of Congress.

I want to express my thanks to both Houses of Congress for acting on this extension bill expeditiously. The Congress is also making rapid progress on the last remaining authorization for the economic stimulus package, the bill to authorize new initiatives to address youth unemployment. I look forward to receiving that bill in the near future.

NOTE: As enacted, H.R. 2992 is Public Law 95-44, approved June 15.

European Office of the United Nations

*Nomination of William J. vanden Heuvel
To Be the U.S. Representative. June 16, 1977*

The President today announced that he will nominate William J. vanden Heuvel, of New York, N.Y., to be Representative of the United States to the European Office of the United Nations, with the rank of Ambassador. Vanden Heuvel is a partner in the law firm of Stroock and Stroock and Lavan in New York.

He was born April 14, 1930, in Rochester, N.Y. He received a B.A. in 1950 from Cornell University and an LL.B. in 1952 from Cornell Law School.

From 1952 to 1957, vanden Heuvel was an associate in the law firm of Leisure, Newton and Irvin. In 1953 and 1954, he was executive assistant to Ambassador to Thailand William J. Donovan. In 1958 he served as special counsel to Gov. Averell Harriman.

From 1959 to 1961, vanden Heuvel was an associate in the law firm of Javits, Moore and Trubin. In 1963 and 1964, he was Special Assistant to Attorney General Robert F. Kennedy. He served as Acting Regional Administrator for the

Office of Economic Opportunity in 1964 and 1965.

Vanden Heuvel has been with Stroock and Stroock and Lavan since 1965. In 1967 he was vice president of the New York State Constitutional Convention. He served as chairman of the New York City Board of Correction from 1970 to 1973 and as chairman of the New York City Commission on State-City Relations from 1971 to 1973.

Vanden Heuvel is the author of several articles and coauthor of "On His Own: RFK, 1964-68" (1970). He is vice president of the International Rescue Committee, vice chairman of the International League for Human Rights, and a director of the Puerto Rican Legal Defense and Education Fund and of the Fortune Society.

Civil Aeronautics Board

Nomination of Donald L. Tucker To Be a Member of the Board. June 16, 1977

The President today announced that he will nominate Donald L. Tucker, of Tallahassee, Fla., to be a member of the Civil Aeronautics Board. The President also announced that if confirmed by the Senate, Tucker would be designated Vice Chairman of the Board. Tucker is presently speaker of the Florida House of Representatives.

He was born July 23, 1935, in Tallahassee, Fla. He received an LL.B. from the University of Florida in 1962.

Tucker has practiced law since 1962 and has also served as county attorney, county prosecutor, city attorney, and school board attorney.

He was elected to the State Legislature in 1966. He was chairman of the claims committee from 1968 to 1970, the manpower and development committee from

1970 to 1972, and the commerce committee from 1972 to 1974. He has been speaker of the House since 1974.

Tucker is vice chairman of the Council of State Governments for the Southern Region for 1976-77. In 1974 he received the Allen Morris award as most effective member of the House.

United States Ambassador to Austria

Nomination of Milton A. Wolf. June 16, 1977

The President today announced that he will nominate Milton A. Wolf, of Shaker Heights, Ohio, to be Ambassador Extraordinary and Plenipotentiary of the United States to Austria. Wolf is president of Zehman-Wolf Construction, Inc., in Cleveland.

He was born May 29, 1924, in Cleveland, Ohio. He received a B.A. in 1948 from Ohio State University, a B.S. in 1954 from Case Institute of Technology, and an M.A. in economics in 1973 from Case Western Reserve University.

Wolf has been with Zehman-Wolf Construction since 1948 and is currently president of the company. He received the Builder of the Year Award in Cleveland in 1964 and is an honorary life trustee of the Cleveland Builders Association and the National Association of Home Builders.

San Luis Unit of the Central Valley Project in California

Statement on Signing H.R. 4390 Into Law. June 16, 1977

I am pleased to sign H.R. 4390, a bill which marks a major step toward correct-

ing deficiencies in past practices of the Bureau of Reclamation. It addresses the San Luis Unit of the Central Valley Project, in particular, the need to study and reform the water service contract in the Westlands Water District.

I am particularly pleased that the congressional delegation from the State of California has joined together to make this legislation a reality.

Recent investigations have shown that undue public subsidies to large landowners are occurring in the Westlands area. Even before the passage of this legislation, Secretary Andrus had already begun a review of the situation. This bill establishes the statutory framework for analyzing the problem and coming to a solution, while continuing construction on some of the project features during fiscal year 1978. It sets up an Interior Department Task Force, including representatives from the State of California, which will report back to the Congress on January 1, 1978. The investigation required by this bill should lay the foundation for the negotiation of a new Westlands Water District contract which will fully protect the interests of the people of the United States and will conform to all applicable law. In addition to assuring equitable prices for water, the Department will enforce acreage limitations to assure broad distribution of benefits and seek to promote sound ground-water management.

This important effort will be going on at the same time as my administration, under the leadership of Secretary Andrus, is developing far-reaching reform initiatives in water resource policy. Particularly in this drought year, it is apparent that we as a nation must ensure that our water resource policies reflect the urgent necessity for wise planning, water conservation, environmental protection, and equity for all water users.

I look forward to working with the Congress to build on their record of legislation such as this bill I am signing.

NOTE: As enacted, H.R. 4390 is Public Law 95-46, approved June 15.

Death of Wernher von Braun

Statement by the President. June 17, 1977

To millions of Americans, Wernher von Braun's name was inextricably linked to our exploration of space and to the creative application of technology. He was not only a skillful engineer but also a man of bold vision; his inspirational leadership helped mobilize and maintain the effort we needed to reach the Moon and beyond.

Not just the people of our Nation but all the people of the world have profited from his work. We will continue to profit from his example.

NOTE: Dr. von Braun headed the team of scientists who developed the Saturn launch vehicle used in the Apollo manned space program.

The statement was made available by the White House Press Office. It was not issued in the form of a White House press release.

Jewish Cadet Chapel at the U.S. Military Academy

Statement on Meeting With a Committee To Discuss Plans for the Chapel. June 17, 1977

The Jewish Cadet Chapel at the United States Military Academy will meet several important needs.

Most significantly, it will provide a place of worship and of religious sustenance for Jewish cadets, officers, and members of the West Point community and their families.

Both as Commander in Chief and as a graduate of one of West Point's sister

academies, I believe that the spiritual development of the young men and women who are destined to lead our Armed Forces is as vital as any other aspect of their growth.

In addition, the chapel and its associated gallery and museum will serve as a repository for artifacts and memorabilia of the long and honorable story of Jewish participation in the military history of our country, from pre-Revolutionary times to the present. In this way, the chapel will contribute to the education of all cadets, regardless of religion, and to the knowledge of many thousands of visitors. And in a broader sense, the chapel will symbolize both the rich diversity of our Nation and its fundamental unity.

It is an honor for me to commend and congratulate all of you who are taking part in the establishment of the Jewish Cadet Chapel at West Point.

Digest of Other White House Announcements

The following listing includes the President's daily schedule and other items of general interest as announced by the White House Press Office during the period covered by this issue. Events and announcements printed elsewhere in the issue are not included.

June 11

The President met at the White House with Zbigniew Brzezinski, Assistant to the President for National Security Affairs.

The President declared an emergency for the State of Nevada because of the impact of a drought.

June 13

The President met at the White House with:

- David L. Aaron, Deputy Assistant to the President for National Security Affairs;
- senior White House staff members;
- the Cabinet;
- Attorney General Griffin B. Bell and Irving S. Shapiro, Chairman of the Committee on Selection of the Director of the Federal Bureau of Investigation, to discuss the Committee's report;
- Vice President Walter F. Mondale;
- officers of the National Newspaper Publishers Association.

June 14

The President met at the White House with:

- Dr. Brzezinski;
- leaders of veterans and military organizations;
- two groups of administration officials to review the budget for fiscal year 1979;
- Senator Joseph R. Biden, Jr., and members of the Delaware congressional delegation.

The President declared an emergency for the Territory of the Virgin Islands because of the impact of a drought.

The President has appointed John J. Gilligan, Administrator of the Agency for International Development, as his Special Coordinator for International Disaster Assistance.

June 15

The President met at the White House with:

- Dr. Brzezinski;
- a group of 10 Democratic Senators;
- Vice President Mondale, Adm. Stansfield Turner, Director of Central Intelligence, and Dr. Brzezinski;
- Dr. C. G. Alexandrides, professor at Georgia State University;

—Graciela (Grace) Olivarez, Director of the Community Services Administration;

—Shlomo Goren, Chief Rabbi of the Ashkenazi community of Israel, and Israeli Ambassador Simcha Dinitz.

The President declared an emergency for the State of Wyoming because of the impact of a drought.

The President has appointed Franklin D. Lopez, of San Juan, Puerto Rico, as a member of the United States Circuit Judge Nominating Panel for the First Circuit, replacing William Shaheen, who has resigned.

June 16

The President met at the White House with:

—Dr. Brzezinski;

—a delegation from the Committee for National Health Insurance;

—Democratic congressional group;

—Representative Wesley W. Watkins and family of Oklahoma;

—Bert Lance, Director of the Office of Management and Budget;

—Princess Anne and Capt. Mark Phillips of the United Kingdom;

—Arthur W. Hummel, Jr., U.S. Ambassador to Pakistan;

—a group of administration officials to review the budget for fiscal year 1979.

The President announced that he has invited Australian Prime Minister J. Malcolm Fraser for a working visit to Washington June 22–23.

June 17

The President met at the White House with:

—Dr. Brzezinski;

—Senator Richard Stone of Florida;

—a group of corporate officials attending a briefing on energy;

—Paul C. Warnke, Director of the United States Arms Control and Disarmament Agency;

—Admiral Turner and Dr. Brzezinski;

—Mrs. Carter, for lunch;

—editors of the Reader's Digest.

The President has transmitted to Senate and House committee chairmen the second semiannual Interior Department progress report on the study being done to determine the best overall procedures to be used in the development, production, transportation, and distribution of petroleum resources of the National Petroleum Reserve in Alaska. The report was sent to Senator Henry M. Jackson, chairman of the Senate Committee on Energy and Natural Resources, and Representative Morris K. Udall, chairman of the House Committee on Interior and Insular Affairs.

NOMINATIONS SUBMITTED TO THE SENATE

The following list does not include promotions of members of the Uniformed Services, nominations to the Service Academies, or nominations of Foreign Service officers.

Submitted June 13, 1977

RUSSELL G. CLARK, of Missouri, to be United States District Judge for the Western District of Missouri, vice William H. Becker, retired.

WILLIAM T. MOORE, JR., of Georgia, to be United States Attorney for the Southern District of Georgia for the term of 4 years, vice R. Jackson B. Smith, Jr., resigning.

GEORGE M. ANDERSON, of North Carolina, to be United States Attorney for the Eastern District of North Carolina for the term of 4 years, vice Thomas P. McNamara, resigned.

HENRY M. MICHAUX, JR., of North Carolina, to be United States Attorney for the Middle District of North Carolina for the term of 4 years, vice N. Carlton Tilley, resigned.

RICHARD STEPHEN PAGE, of Washington, to be Urban Mass Transportation Administrator, vice Robert E. Patricelli, resigned.

NOMINATIONS—Continued

Submitted June 15, 1977

ROBERT H. MUNDHEIM, of Pennsylvania, to be General Counsel for the Department of the Treasury, vice Richard R. Albrecht, resigned.

Submitted June 16, 1977

MILTON A. WOLF, of Ohio, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Austria.

WILLIAM J. VANDEN HEUVEL, of New York, to be the Representative of the United States of America to the European Office of the United Nations, with the rank of Ambassador.

JAMES P. BUCHELE, of Kansas, to be United States Attorney for the District of Kansas for the term of 4 years, vice E. Edward Johnson, resigning.

WILLIAM L. HARPER, of Georgia, to be United States Attorney for the Northern District of Georgia for the term of 4 years, vice John W. Stokes, Jr., resigning.

WILLIAM A. KIMBROUGH, JR., of Alabama, to be United States Attorney for the Southern District of Alabama for the term of 4 years, vice Charles S. White-Spunner, Jr., resigning.

EMMETT W. FAIRFAX, of Missouri, to be United States Marshal for the Western District of Missouri for the term of 4 years, vice John T. Pierpont.

GEORGE R. GROSSE, of Florida, to be United States Marshal for the Middle District of Florida for the term of 4 years, vice Mitchell A. Newberger.

DONALD L. TUCKER, of Florida, to be a member of the Civil Aeronautics Board for the remainder of the term expiring December 31, 1979, vice G. Joseph Minetti.

CHECKLIST OF WHITE HOUSE PRESS RELEASES

The following releases of the Office of the White House Press Secretary, distributed during the period covered by this issue, are not included in the issue.

Released June 13, 1977

Biographical data: Russell G. Clark, the President's nominee to be U.S. District Judge for the Western District of Missouri; George M. Anderson, the President's nominee to be U.S. Attorney for the Eastern District of

CHECKLIST—Continued

North Carolina; Henry M. Michaux, Jr., the President's nominee to be U.S. Attorney for the Middle District of North Carolina; and William T. Moore, Jr., the President's nominee to be U.S. Attorney for the Southern District of Georgia

Biographical data: the five persons under consideration for the position of Director of the Federal Bureau of Investigation: John J. Irwin, Jr., William Lucas, John K. Van de Kamp, Neil John Welch, and Harlington A. Wood, Jr.

Released June 14, 1977

News conference: on the U.S.-Republic of China agreement on shoe imports—by Robert S. Strauss, Special Representative for Trade Negotiations

Released June 16, 1977

Biographical data: James P. Buchele, the President's nominee to be U.S. Attorney for the District of Kansas; William L. Harper, the President's nominee to be U.S. Attorney for the Northern District of Georgia; William A. Kimbrough, Jr., the President's nominee to be U.S. Attorney for the Southern District of Alabama; Emmett W. Fairfax, the President's nominee to be U.S. Marshal for the Western District of Missouri; and George R. Grosse, the President's nominee to be U.S. Marshal for the Middle District of Florida

Released June 17, 1977

Announcement: the President's transmittal to Senate and House committee chairmen of the second semiannual Interior Department report on the National Petroleum Reserve in Alaska

ACTS APPROVED BY THE PRESIDENT

Approved June 10, 1977

H.R. 5306..... Public Law 95-42
An act to amend the Land and Water Conservation Fund Act of 1965, and for other purposes.

Approved June 15, 1977

H.R. 2992..... Public Law 95-44
Comprehensive Employment and Training Act Amendments of 1977.

Administration of Jimmy Carter, 1977

ACTS APPROVED—Continued

Approved June 15—Continued

- H.R. 4390----- Public Law 95-46
An act to authorize appropriations for continuation of construction of distribution systems and drains on the San Luis Unit, Central Valley project, California, to mandate the extension and review of the project by the Secretary, and for other purposes.
- H.R. 5040----- Public Law 95-45
An act to authorize additional appropriations for the Department of State for fiscal year 1977.
- H.R. 6774----- Public Law 95-43
An act to make certain technical and miscellaneous amendments to provisions relating

ACTS APPROVED—Continued

to higher education contained in the Education Amendments of 1976.

Approved June 16, 1977

- S. 955----- Public Law 95-47
An act to amend the Federal Crop Insurance Act.

Approved June 17, 1977

- S. 1240----- Public Law 95-48
An act to extend the time for conducting the referendum with respect to the national marketing quota for wheat for the marketing year beginning June 1, 1978.

PRESIDENTIAL DOCUMENTS

Week Ending Friday, June 24, 1977

Swearing-In Ceremony

Remarks at the Swearing In of the United States Attorney for the Southern District of Indiana, the Chairman of the Equal Employment Opportunity Commission, and the State Department Coordinator for Human Rights and Humanitarian Affairs. June 17, 1977

First of all, I want to welcome all of you here to participate in what I think is both an historical occasion and also a memorable occasion and one that I'm sure will bring great hope and gratification to the people of our country.

All over the world, I believe this year perhaps more than any other time in the history of humankind, there is a concern and an awareness of the question of human rights, the basic dignity of human beings, the hope for peace and freedom, a realization that the individuality of people needs to be recognized and preserved and even enhanced, and a sense that the struggle for these things is making progress.

We have no right to be proud. We have had notable achievements in the last recent years or perhaps, decades, attributable in some degree to those who assemble around me on this step. But we've got a long way to go. We've seen progress made in the South and throughout the Nation on the race question, and I'm very proud

of it. Had it not been the case, I would not be President.

And we are now recognizing that there is a majority of people in our country who felt and who still feel discrimination, and that is women. And there's a sense that those who have tested themselves in a courageous way and an innovative way ought to be recognized. Well, all those subjects tie together this afternoon in these three appointments.

Virginia McCarty, from Indiana, is a good politician. She understands people. She's demonstrated a deep commitment about the rights of women and the rights of minority groups. And she's achieved a position that is almost unprecedented. In the 200 years of our Nation's existence, a woman has been a U.S. attorney only 1 year. That was a transient appointment in 1918. And as you know, we have many U.S. attorneys.

And for her now to be recognized is something that is not a subject of pride on my part, but just a sense of long overdue recognition of the women's great achievement in the field of law and the other professions. I am very glad that she will be the U.S. attorney from that State.

Eleanor Holmes Norton has been courageous. Her ideals and hopes and aspirations for poor and weak and inarticulate, sometimes uneducated, noninfluential

people, is recognized throughout this country and indeed throughout the world.

She also has a good, strong legal background, and she's brought a sensitivity and a concern and a compassion to those that she has represented, combined with a tough competence in the management of a very difficult governmental bureaucracy. She's managed the commission in New York with great success.

And we now have a great obstacle in the guarantee of basic equal rights in Washington, because of the diversity and the fragmentation and the maladministration of some of the agencies that are supposed to operate efficiently to guarantee those rights.

And I believe that if anyone can bring order out of chaos and have a consistent and effective policy in the Equal Employment Opportunity Commission, it is Eleanor Holmes Norton.

Patt Derian comes from a different part of the country. She comes from Mississippi. And sometimes it's been difficult in Indiana and New York, I know, to speak out for civil rights, but I hope that you will admit that it's a little bit more difficult in Mississippi, or has been in the past. Not any more. But there were just a few people in our part of the country in years gone by who had the deep commitment and the intense demonstration of courage to be almost alone in a community and say the time has come for the black people of our region to have a chance to vote, to own property, to hold a job, to go in public places, to be educated on an equal basis with whites. Patt Derian was one of those very rare people who had the commitment and the courage to do so.

And now she is on a special assignment with the State Department, a very major position. She's already traveled to Africa, to Latin America, to Geneva to represent our country. She's gotten worldwide attention and acclaim for her commitment

to human rights and humanitarian purposes of the United States Government.

So, I'm very proud of these three women. I'm very proud to be one who has recognized their past achievements. I'm very proud as your President to be one to give them an opportunity to do even more in the future. They are partners of mine now, and they will be kind of a conscience for me, for the other public officials in Washington, and for our Nation, and I believe will help us set an example that the world might want to emulate.

Judge Higginbotham will now give the oath of office to these three fine Americans.

NOTE: The President spoke at 2:03 p.m. in the Rose Garden at the White House. Following his remarks, A. Leon Higginbotham, Jr., United States District Judge for the Eastern District of Pennsylvania, administered the oath of office.

United States Liaison Office, People's Republic of China

Nomination of Leonard Woodcock for the Rank of Ambassador While Serving as Chief of the Liaison Office. June 20, 1977

The President today announced that he will nominate Leonard Woodcock, of Detroit, Mich., for the rank of Ambassador while serving as Chief of the United States Liaison Office in Peking, People's Republic of China. Woodcock is president of the United Auto Workers of America International Union.

He was born February 15, 1911, in Providence, R.I. He attended Wayne State University.

Woodcock has been with the United Auto Workers since 1940, serving as staff representative from 1940 to 1946, as administrative assistant to the president in 1946 and 1947, as regional director from

1947 to 1955, as international vice president from 1955 to 1970, and as president since 1970.

He is a member of the advisory council of the National Committee Against Discrimination in Housing and of the executive committee of the National Urban Coalition Leadership Conference on Civil Rights. He is a member of the President's Labor-Management Committee and the President's Committee on Employment of the Handicapped. He is also a member of the Trilateral Commission and the Council of Foreign Relations.

Woodcock headed the President's Commission on MIA's which went to Vietnam and Laos in March 1977.

United States Ambassador to Ireland

***Nomination of William V. Shannon.
June 20, 1977***

The President today announced that he will nominate William V. Shannon, of Washington, D.C., to be Ambassador Extraordinary and Plenipotentiary of the United States to Ireland. Shannon is on the editorial board of the New York Times.

He was born August 24, 1927, in Worcester, Mass. He received an A.B. from Clark University in 1947 and an M.A. from Harvard University in 1948.

Shannon worked as a free-lance writer in Washington from 1949 to 1951. From 1951 to 1964, he was a Washington correspondent and columnist for the New York Post, and since 1964 he has been on the editorial board of the New York Times.

Shannon is the author of "The American Irish" (1964), "The Heir Apparent" (1967), and "They Could Not Trust the

King" (1974), and coauthor of "The Truman Merry-Go-Round" (1950). He is also the author of numerous articles.

Shannon is on the board of directors of the American Irish Foundation. In 1975 he received the Gold Medal of the Eire Society of Boston for service to literature. He has been an associate fellow of Morse College, Yale University, since 1966, and in 1961-62 was fellow-in-residence at the Center for the Study of Democratic Institutions in Santa Barbara, Calif.

Airline Industry Reform Legislation

***Remarks at a Briefing for Representatives
of the Airline Industry and Public
Interest Groups. June 20, 1977***

This afternoon's session is devoted to a very important legislative matter before the Senate and which shortly will be before the House. For the last 3 years the Congress has been trying to decide how best to approach the problem that exists within the airline industry. And there are some goals to be pursued that are very important to the consumers of our Nation and also to the airlines, the airports, the employees of this major industry, as well.

The hearings that have already been conducted in the House and Senate have revealed a great deal of necessary information of an economic nature which is to be used as a basis for legislation concerning airline reform. There are several goals to be pursued.

I am not an expert on the subject, but this is a continuation of my own education about this matter. We want to have an opportunity for strengthening the free enterprise system in our country to make sure that competition exists in a fair and equitable way, to be sure that we

have some protection for small communities that now receive commercial airline service.

In the last 16 years, for instance, more than 200 communities have lost their airline service, and this is a trend in the wrong direction. The legislation now before the Senate will guarantee that for the next 10 years airline service to these small communities will be protected, continued, with a subsidy cost that will be a reduction instead of an increase. This is one of the goals.

Another one is to provide more flexibility to accommodate changing markets so that airlines might enter more freely new markets and so that we might have, in addition to that, perhaps more competition with new airlines themselves.

Since 1950, although we have had 80 applications for new charters, none have been approved. I think the recent decision by the CAB, which was a very good move in the right direction to provide some lower airline use costs across the Atlantic, is a step in the right direction.

There is a tremendous potential market among Americans for airline service use that hasn't yet been tapped. I believe that more competition, lower rates, higher use of airplanes, more entry into new markets, better protection for small communities all tie together in a very worthwhile pursuit.

There is always a fear of change, and I know that when there is a privilege that is now extant, that a chance of losing that privileged position is one that causes legitimate concern.

I am personally hopeful that we might reduce government regulation as an overall concept, and if that reduction can be concluded with a reinvigoration of the airline industry and a better service to consumers and the communities that need it, all those goals will be very well worth the effort.

This afternoon I am here to learn and to let the American people share in the learning process. There is revised legislation now in the Senate which I think substantially overcomes the legitimate concerns expressed about the original legislation.

After a 3-year process, great progress has been made. I would like to conclude my part in the program by congratulating Senator Cannon and Senator Kennedy, Congressman Glenn Anderson, and Congressman Elliott Levitas, who is here this afternoon, Senator Magnuson, and others who have labored very long and hard to prepare the Congress to address this controversial and important issue.

Senator Cannon, I would like to turn the lectern over to you now. I know there will be a chance for several people to express their opinions. But I am very grateful for the good work you have done so far. I understand the committee hearings will continue very shortly.

NOTE: The President spoke at 1:13 p.m. in Room 450 of the Old Executive Office Building.

Prior to the briefing, the President met with Brock Adams, Secretary of Transportation, Alfred E. Kahn, Chairman of the Civil Aeronautics Board, and a group of Senators and Representatives to discuss the legislation. Participants in that meeting then attended the briefing.

Disaster Relief Act Amendments

Statement on Signing H.R. 6197 Into Law. June 21, 1977

I have approved enrolled bill H.R. 6197, Disaster Relief Act amendments, though I have done so with some reservation. I strongly approve the extension of the basic Disaster Relief Act. However, the provisions which expand the Army

Corps of Engineers' authority to provide emergency water supplies are subject to abuse and, to be effective, must be closely coordinated with the several drought programs already in operation.

I therefore expect this new authority to be exercised in consultation with the existing Interagency Drought Coordinating Committee, chaired by the Secretary of Agriculture. This will prevent any duplication of effort or expenditure and promote prompt and efficient assistance to those eligible. I also expect the program to be administered in an environmentally safe way and in a way that minimizes ground water depletion.

NOTE: As enacted, H.R. 6197 is Public Law 95-51, approved June 20.

International Whaling Commission

Designation of William Aron as the U.S. Commissioner. June 21, 1977

The President today announced that he has designated William Aron, of McLean, Va., to be the U.S. Commissioner on the International Whaling Commission. Aron is Director of the Office of Ecology and Environmental Conservation at the National Oceanic and Atmospheric Administration.

Aron was born June 26, 1930, in Brooklyn, N.Y. He received a B.S. from Brooklyn College and an M.S. (1957) and Ph. D. (1960) from the University of Washington.

From 1956 to 1961, he was an assistant professor at the University of Washington. He was head of the biological oceanography group at GM Defense Research Laboratories from 1961 to 1967. From 1967 to 1969, Aron was deputy head of the Office of Oceanography and Limnology at the Smithsonian Institution.

From 1969 to 1971, Aron was Director of the Oceanography and Limnology Program. Since 1971 he has been Director of the Office of Ecology and Environmental Conservation.

Aron serves on the Scientific Committee of the International Whaling Commission and is a member of the Working Group of the Committee on Oceanography of the National Academy of Sciences-National Research Council.

United States Arms Control and Disarmament Agency

Nomination of John Newhouse To Be Assistant Director. June 21, 1977

The President today announced that he will nominate John Newhouse, of Washington, D.C., to be Assistant Director of the Arms Control and Disarmament Agency for International Security Programs. Newhouse is a counselor at the Arms Control and Disarmament Agency.

He was born February 6, 1929, in East Orange, N.J. He received an A.B. from Duke University in 1950 and served in the U.S. Air Force from 1951 to 1952.

Newhouse worked as a journalist from 1952 to 1959, working for United Press, Collier's magazine, and the radio and television networks. From 1959 to 1964, he was on the staff of the Senate Committee for Foreign Relations, where he had responsibility for NATO and European affairs, for the Middle East, and for various functional operations of the committee.

From 1964 to 1966, Newhouse was in France on a Ford Foundation grant. During this period he wrote a book called "Collision in Brussels: The Common Market Crisis of June 30, 1965." From 1966 to 1968, he served as European director of a project funded by the Twentieth Century Fund and the Fondation Na-

tionale des Sciences Politiques and wrote another book, "De Gaulle and the Anglo-Saxons."

In 1969 Newhouse became a senior fellow at the Brookings Institution in Washington and coauthored and edited a Brookings book, "U.S. Troops in Europe: Issues, Costs and Choices." He left Brookings to do a series of articles on the SALT talks for the *New Yorker*, which he expanded into another book, "Cold Dawn: The Story of SALT." Since 1973 he has been Counselor to the Arms Control and Disarmament Agency.

Export Administration Amendments of 1977

*Remarks on Signing H.R. 5840 Into
Law. June 22, 1977*

For many months I've spoken strongly on the need for legislation to outlaw secondary and tertiary boycotts and discrimination against American businessmen on religious or national grounds. During the campaign I called this a profound moral issue from which we should not shrink.

My concern about foreign boycotts stemmed, of course, from our special relationship with Israel, as well as from the economic, military and security needs of both our countries. But the issue also goes to the very heart of free trade among all nations.

I am, therefore, particularly pleased today to sign into law the 1977 amendments to the Export Administration Act, which will keep foreign boycott practices from intruding directly into American commerce.

The new law does not threaten or question the sovereign right of any nation to regulate its own commerce with other countries, nor is it directed toward any particular country. The bill seeks instead

to end the divisive effects on American life of foreign boycotts aimed at Jewish members of our society. If we allow such a precedent to become established, we open the door to similar action against any ethnic, religious, or racial group in America.

This legislation owes much to the hard work of Senators Stevenson and Proxmire, Congressmen Zablocki, Rosenthal, Hamilton, Bingham, Solarz, Whalen, the chairman of the Senate Foreign Affairs Committee—Foreign Relations Committee, and to many others.

And it owes just as much to the patient perseverance of the Business Roundtable, the Anti-Defamation League, the American Jewish Committee, and the American Jewish Congress, as well as other groups.

The openness of their discussion and of the delicate legislative process which shaped this bill has reconfirmed my own belief in the value of open government.

This cooperative effort between the business community, the Jewish leaders, the Congress, and the executive branch can serve as a model for what can be accomplished in even more difficult areas, when reasonable people agree to sit down together in good will and good faith.

I'm confident that the divisive issues in the Middle East, which give rise to current boycotts, can be resolved equally satisfactorily through a similar process of reasonable, peaceful cooperation.

My administration will now effectively enforce this important legislation.

I want to congratulate again all the distinguished Americans in the Congress and otherwise who are gathered around me for this ceremony and to express my confidence that the enforcement of this legislation will help to lessen the tensions in the Middle East and hopefully lead to a permanent peace in that troubled region.

Thank you very much.

NOTE: The President spoke at 10 a.m. at the signing ceremony in the Rose Garden at the White House.

As enacted, H.R. 5840 is Public Law 95-52, approved June 22.

United States-United Kingdom Air Services Agreement

*Statement on the Agreement Reached in
London. June 22, 1977*

I am pleased that the delegations of the United States and the United Kingdom have come to an agreement on the issues involved in the negotiations over continuation of commercial air service between our two countries.

The signing of an agreement in principle means that disruption in air service on the North Atlantic, Pacific, and Caribbean routes has been avoided. The agreement ensures that international air service between Britain and the United States will continue to function in an atmosphere of healthy competition—an atmosphere which will benefit consumers and airlines alike.

I extend my personal appreciation to Special Ambassador Alan Boyd and to the members of the United States delegation.

Our new agreement should demonstrate to the world that the warm relations our two nations have enjoyed are as strong today as they have ever been.

The Cyprus Conflict

*Message to the Congress Reporting on Progress
Made Toward a Negotiated Settlement.
June 22, 1977*

To the Congress of the United States:

As required by Public Law 94-104, this report describes what has occurred during

the last sixty days toward settlement of the Cyprus problem and the efforts the Administration has made toward that goal.

In my last report, I promised to work closely with the Congress on this problem, and to devote whatever effort might be required to bring about a truly just and lasting peace in Cyprus. I emphasized as well the importance of continuing to strengthen the ties of friendship and cooperation between the United States and Greece and Turkey, our two major allies in the eastern Mediterranean.

Since my last report on April 15, there have been only a few significant developments with regard to Cyprus. This pause is to some extent a reflection of understandable preoccupation of the parties with the Turkish national elections of June 5. Even so, talks between the two Cyprus communities took place in Nicosia in late May and early June. These discussions allowed some clarification of the positions presented during the earlier meetings in Vienna which had taken place under the chairmanship of the United Nations Secretary General. The United Nations Security Council authorized a further six-month extension of the mandate of the United Nations Peacekeeping Force on Cyprus (UNFICYP) on June 15, and we expect that the negotiating process will resume at an early date between the two Cypriot communities.

I would add that while I was in London in conjunction with the NATO Summit meeting in May, I met separately with the Greek and Turkish Prime Ministers. Secretary Vance, National Security Advisor Brzezinski and the Special Representative for eastern Mediterranean matters, Clark Clifford, were also present. I used the opportunity for a brief discussion of the Cyprus problem as well as a review of other elements of our relationship with these two valued NATO allies. Mr. Clif-

ford also had separate discussions with both Prime Minister Caramanlis and Prime Minister Demirel. I believe both governments now appreciate the depth of our interest and determination to assist in achieving a lasting Cyprus settlement.

We intend to work actively during the summer months and into the fall toward this end. I would hope it will soon be possible in these periodic reports to Congress to record real progress toward the just and lasting Cyprus settlement which the United States seeks.

JIMMY CARTER

The White House,
June 22, 1977.

Withholding of Income or Employment Taxes by Federal Agencies

Executive Order 11997. June 22, 1977

WITHHOLDING OF DISTRICT OF COLUMBIA, STATE, CITY AND COUNTY INCOME OR EMPLOYMENT TAXES

By virtue of the authority vested in me by Sections 5516, 5517 and 5520 of Title 5 of the United States Code, and Section 301 of Title 3 of the United States Code, and as President of the United States of America, in order to authorize the Secretary of the Treasury to provide for the withholding of county income or employment taxes as authorized by Section 5520 of Title 5 of the United States Code as amended by Section 408 of Public Law 95-30, as well as to provide for the withholding of District of Columbia, State and city income or employment taxes, it is hereby ordered as follows:

SECTION 1. Whenever the Secretary of the Treasury enters into an agreement pursuant to Sections 5516, 5517 or 5520 of Title 5 of the United States Code, with

the District of Columbia, a State, a city or a county, as the case may be, with regard to the withholding, by an agency of the United States, hereinafter referred to as an agency, of income or employment taxes from the pay of Federal employees or members of the Armed Forces, the Secretary of the Treasury shall ensure that each agreement is consistent with those sections and regulations, including this Order, issued thereunder.

SEC. 2. Each agreement shall provide (a) when tax withholding shall begin, (b) that the head of an agency may rely on the withholding certificate of an employee or a member of the Armed Forces in withholding taxes, (c) that the method for calculating the amount to be withheld for District of Columbia, State, city or county income or employment taxes shall produce approximately the tax required to be withheld by the District of Columbia or State law, or city or county ordinance, whichever is applicable, and (d) that procedures for the withholding, filing of returns, and payment of the withheld taxes to the District of Columbia, a State, a city or a county shall conform to the usual fiscal practices of agencies. Any agreement affecting members of the Armed Forces shall also provide that the head of an agency may rely on the certificate of legal residence of a member of the Armed Forces in determining his or her residence for tax withholding purposes. No agreement shall require the collection by an agency of delinquent tax liabilities of an employee or a member of the Armed Forces.

SEC. 3. The head of each agency shall designate, or provide for the designation of, the officers or employees whose duty it shall be to withhold taxes, file required returns, and direct payment of the taxes withheld, in accordance with this Order, any regulations prescribed by the Secretary of the Treasury, and the new applicable agreement.

SEC. 4. The Secretary of the Treasury is authorized to prescribe additional regulations to implement Sections 5516, 5517 and 5520 of Title 5 of the United States Code, and this Order.

SEC. 5. Executive Order No. 11968 of January 31, 1977, is hereby revoked. However, all actions heretofore taken by the President or his delegates in respect of the matters affected by this Order and in force at the time of the issuance of this Order, including any regulations prescribed or approved by the President or his delegates in respect of such matters and any existing agreements approved by his delegates, shall, except as they may be inconsistent with the provisions of this Order, remain in effect until amended, modified, or revoked pursuant to the authority conferred by this Order, unless sooner terminated by operation of law.

JIMMY CARTER

The White House,
June 22, 1977.

[Filed with the Office of the Federal Register,
10:25 a.m., June 22, 1977]

Department of Health, Education, and Welfare

***Nomination of Blandina Cardenas
To Be Chief of the Children's
Bureau. June 22, 1977***

The President today announced that he will nominate Blandina Cardenas to be Chief of the Children's Bureau, Department of Health, Education, and Welfare. Cardenas is vice president of the Intercultural Resources Laboratory in San Antonio, and director of the Center for the Management of Innovation in Multicultural Education.

She was born October 25, 1944, in Del Rio, Tex. She received a B.J. from the

University of Texas in 1967 and an Ed.D. from the University of Massachusetts in 1974.

Cardenas was a teacher in the San Felipe Independent School District, Del Rio, Tex., in 1967-68, and an information writer for the College of Fine Arts at the University of Texas in 1968-69. In 1969 she served as assistant program development coordinator for the Texas Migrant Educational Development Center, Southwest Educational Development Laboratory, in Austin.

From 1969 to 1972, she was executive assistant to the director of Mexican American Education and director of the Texas Migrant Educational Development Center. In 1969-70 she was also an educational writer for the bilingual education program of the Edgewood School District, in San Antonio, and in 1970-71 she was director of the Career Opportunities Program for the Edgewood School District.

In 1971 Cardenas was director of planning and chief writer for the Edgewood Independent School District Experimental Schools Program, and also served as director of Our Lady of the Lake College, the Edgewood District's cooperative summer institute on early childhood education.

In 1972 Cardenas was director of bilingual education for the Intercultural Resources Laboratory in San Antonio. In 1974 and 1975, she was a Rockefeller Fellow assigned to the staff of then-Senator Walter F. Mondale. Since 1975 she has been director of the Center for the Management of Innovation in Multicultural Education (Lau Center), a division of the Intercultural Development Research Association.

From 1971 to 1974, Cardenas was a consultant to the Office of the Secretary of HEW and the Office of Civil Rights at HEW. In 1973 she was regional coordinator for the National Educational Task

Force de la Raza. She has been a consultant on bilingual television programming for children and has published numerous articles.

United States Ambassador to Hungary

Nomination of Philip M. Kaiser.
June 22, 1977

The President today announced that he will nominate Philip M. Kaiser, of New York, N.Y., to be Ambassador Extraordinary and Plenipotentiary of the United States to Hungary. Kaiser is director of Guinness Mahon Holdings, Ltd., in London, England.

Kaiser was born July 12, 1913, in Brooklyn, N.Y. He received a B.A. from the University of Wisconsin in 1935 and a B.A. and M.A. from Balliol College, Oxford University, in 1939.

From 1939 to 1942, Kaiser was an economist for the Board of Governors of the Federal Reserve System. From 1942 to 1944, he was Chief of the Project Operations Staff of the Board of Economic Warfare in Washington, and from 1944 to 1946 he was Chief of the Planning Staff of the Foreign Economic Administration.

Kaiser served as Executive Assistant to the Assistant Secretary of Labor for International Affairs in 1946. From 1947 to 1949, he was Director of the Office of International Affairs at the Department of Labor. He was Assistant Secretary of Labor for International Affairs from 1949 to 1953.

In 1954 Kaiser was adviser to the Free Europe Committee in New York City. From 1955 to 1958, he was special assistant to the Governor of New York. From 1958 to 1961, he was a professor of international relations at American University.

From 1961 to 1964, Kaiser served as Ambassador to the Republic of Senegal and the Islamic Republic of Mauritania. From 1964 to 1969, he was Deputy Chief of Mission at the American Embassy in London. He was chairman and managing director of Encyclopaedia Britannica International, Ltd., from 1969 to 1975. Since 1975 he has been director of Guinness Mahon Holdings, Ltd.

Visit of Prime Minister J. Malcolm Fraser of Australia

Remarks of the President and the Prime Minister at the Welcoming Ceremony. ***June 22, 1977***

THE PRESIDENT. It's a great honor for me today on behalf of the American people to welcome to the White House and to our Capital City the Prime Minister of Australia, John Fraser. We've had warm and valued ties with the great nation of Australia for many years.

We share a common background in history and our form of life. We also share with them something of a frontier spirit, a willingness to venture into new concepts and new ideas, new lands, at the same time to develop a harmonious inter-relationship among our diverse people who have come from many other countries, at the same time preserve the strength and independence of our own Nation and our own government.

As we have tried to do in our sphere of influence, Australia has also accomplished a sense of leadership to set an example of freedom, liberty, a commitment to the democratic processes; at the same time to preserve peace and to show a genuine concern for neighbors who are less fortunate than are we.

Australia is a leader in the British Commonwealth. They are also a leader in the

continent of Asia and also, of course, in the Western Pacific.

We have strong treaty ties to Australia and to New Zealand. And we look with great sense of gratitude and commitment to the maintenance of these ties, which are unshakable and which have been of long standing and which, of course, will be permanent in the future.

When our nations have been endangered because of war, our people have stood shoulder to shoulder. Four times in this century alone we have shared with the great people of Australia a common commitment to fight when necessary to preserve a permanent peace.

These ties have strengthened our resolve to communicate with one another, to consult with one another, and to share the future with one another.

We now are exploring new ways to preserve the peace. Under the leadership of Prime Minister Fraser, Australia has laid down the strictest possible regulations to protect the world from the further proliferation of atomic explosives.

They are setting an example for us and other nations to emulate. And our own Nation's commitments to nonproliferation will certainly be strengthened and enhanced by the fine example that has been set by Prime Minister Fraser and his own government in Australia.

This is a morning which brings honor to our country, a chance to have this great leader visit us.

As we leave this platform and go into the detailed discussions of the future of our two countries, it's with a sense of assurance that because of our past friendships and sharing of challenge and opportunity that the future will bind us even closer to one another.

Prime Minister Fraser, you are welcome to the United States.

THE PRIME MINISTER. Mr. President, I would like to thank you very much in-

deed for your warmth and for your welcome this morning. It is indeed a great pleasure to be in Washington again.

Mr. President, you have recognized and stated clearly the need for the democracies to consult more closely and work in cooperation, one with the other, and to show unity and strength of purpose. I think we all have to realize the need for increased communication, increased cooperation between democracies.

Confidence in ourselves and the values we share and the capacity and strength of free people is essential if progress is to be made in resolving problems faced by mankind. These problems are of urgent and fundamental importance to all of us. We are faced by the inability of many countries to escape from poverty, growing world concern over the availability of energy resources, the denial of fundamental freedoms to many people in many countries.

The continued potential for conflict and the possibility of nuclear proliferation and arms races are problems to which you have just referred again. These problems demand greater attention—for too long, words have been a substitute for effective action. We have to act, I believe now, with a sense of urgency and with a sense of determination.

Millions of people throughout the world want progress in the resolution of these problems. This was reflected clearly in the Commonwealth Heads of Government Conference which I've just attended in London.

Mr. President, as a near neighbor to many developing countries, as a significant source of many important commodities, as a country with an unswerving faith in democracy, Australia is determined to play her part in making progress towards these ends.

Mr. President, you have shown that you are determined to use the strength

and influence of the United States to bring about a more secure and equitable world, a world in which poorer nations' economic development has accelerated, in which deprivation is confronted and the pernicious doctrine of one race's superiority over another is banished for all time.

There are many obstacles on the way to achieving these objectives. It is always the case that the more important the goal, the greater the barrier to achieving it. But the barriers to achieving a better world might well be insuperable if the greatest democratic power were not playing an active and enlightened international role in leading towards a better result.

Mr. President, therefore, I believe your Presidency has excited men's imagination because it has appealed to the idealism of free people, because it has focused attention and concern on issues which have not previously attracted the urgent attention that they require, and because of the stressful need for consultation and co-operation amongst the world's democracies. Free men, therefore, can have renewed faith in realizing the aspirations that we share.

Mr. President, on behalf of my wife and myself, the Australian party, may I thank you again for the warmth of your welcome.

THE PRESIDENT. Thank you very much, John.

NOTE: The President spoke at 11:10 a.m. on the South Lawn of the White House.

White House Fellows

Remarks to Fellows for the 1976-77 and 1977-78 Programs and Members of the President's Commission on White House Fellowships. June 22, 1977

Hello, everybody. I apologize for being late; it's kind of a rare occasion in my

schedule when I am. But we had the Prime Minister of Australia here, and the discussions were very deep and penetrating, concerning matters in the southeastern part of the Pacific, our relationship with the People's Republic of China and Japan, Korea, nuclear nonproliferation, trade; he wanted to give me a report on the Commonwealth meeting from which he's just come. So, the discussions did go a little longer than we anticipated, but I think it was well worthwhile.

I am very proud of you. This is a program, as you know, that was established in the early months of the Johnson administration through the inspired leadership and at the suggestion of John Gardner. And I think it's a rare occasion in our Nation's Government—history, when a man who has a brilliant idea that's innovative and constructive can come back several administrations later and help to keep the vigor and the quality of the program and to observe how it has continued beyond his own concept.

We've had a fine group of White House Fellows who have spanned the transition period between the administrations of President Ford and myself. And I know the trauma of that change was very difficult for some of you to assimilate it, but you've done well.

I hope that this has been an exciting experience for you to see the general change in tone, either progression or retrogression, in your judgment—you'll have to make that judgment. But I think it is a very fine occasion for you to see how two different administrations from two different parties can deal with the same basic questions that continue when Presidents change.

We have now completed, as you know, the selection of next year's White House Fellows, who will begin their service in September. They'll work for the members of the Cabinet, the senior White House

staff members, and the Vice President.

There were 1,334 applicants who were screened, of whom 14 were chosen. And we have a distinguished panel for making the selection whose reputations are beyond reproach and beyond any doubt. I have not been involved at all in the selection process. I say that so that the 1,320 people who were not chosen—[*laughter*—will know that I'm not responsible.

We have high hopes for you. In addition to the detailed knowledge that you will gain from observing the White House in operation, you'll also have a chance to participate in roughly 300 private discussions with leaders both in and out of government—in Government, in the executive and legislative branches in every phase of the administration of our own Nation's affairs.

So, it's a great credit to you that you have been chosen, and it's a great credit to John Gardner's chairmanship that the quality of our selection committee has been maintained. And I believe that it will be a great credit to our Nation, the service that you will provide. So, congratulations to all of you, and my sincere thanks again to John Gardner for conceiving this noble and beneficial idea and for helping to perpetuate its qualities.

Thank you very much.

NOTE: The President spoke at 2:30 p.m. in the Rose Garden at the White House.

Advertising Council, Inc.

**Remarks and a Question-and-Answer Session
With Members of the Council. June 22, 1977**

THE PRESIDENT. I'm very sorry to keep you waiting a few minutes. I had meetings this noon with the Prime Minister of Australia, and our discussions lasted a few minutes longer than we had anticipated.

Then we had a meeting with the White House Fellows, both the current year's group and those that will be serving in the White House beginning in September.

This is a highly competitive group, as you know. John Gardner is the head of our new selection committee. We had 1,334 people who were considered, and we could only choose 14 of them. They will be working in the White House with the Cabinet members and with the Vice President, and also will have a chance to meet with about 300 leaders of our Government and private industry as well during the next 12 months.

It's a superb program, and as you can see, the competition is very similar to what it is in the advertising industry—[*laughter*—when you seek a good client.

I'd like to say a few words, about 3 or 4 minutes, and then spend a few additional minutes answering, perhaps, a few questions that you might have. I know that you've already had a chance to listen to Jim Schlesinger, and perhaps I could add a little to what he said.

ADMINISTRATION POLICIES

We have spent the last 4, 5, 6 months trying to bring some commitment among the American people to correct a long-standing deficiency in the consciousness and in the lifestyle of our great country. We have an impending shortage of energy which can be almost catastrophic if it's not dealt with early and effectively.

I've evolved, along with Dr. Schlesinger and many others, a comprehensive proposal and presented it to the Congress on April the 20th. They are now dealing with its component parts in a very difficult way. I recognize the complexity of it.

The Congress, I think, and I will be much better able to constantly improve our own Nation's husbanding of scarce energy supplies and the more efficient use

of those that we consume if the public is aware of the facts. And I can't do this alone.

The first week, I was on television frequently and tried to project to the American people my own deep concerns. But that cannot be a continuing thing. Your cumulative education program can correct this inherent deficiency in our system of government.

I have never had any doubts about the ability of American people to make the right judgment if they are given the facts. And if they can assess those facts, their cumulative decision, in my opinion, will always be for the best interest of our Nation and, in almost every instance, the rest of the world.

We have a major challenge here, because the insidious growth of the problem is not easily detected at this early stage. But the deterioration in our supply levels of all kinds of energy is inevitable.

I know the effectiveness with which you have undertaken public programs in the past at great sacrifice to yourselves. There would have been no way to pay for the beneficial effects that you generated in our Nation in times of war, in combating forest fires, in dealing with the problems of the handicapped, in educating the American people about our veterans' needs, and in many other fields, including the purchase of American Government bonds—things that are beneficial to those who participate but which have to be explained before they can help themselves.

This program, in spite of the great importance of those I've outlined, is likely to be the most important one you've ever undertaken. And I consider you to be my partner in this process and the partner of those in the Congress who now have undertaken this very difficult assignment.

I know that you realize the value of our free enterprise system which is part of our free societal structure, which values

the independence of human beings, which recognizes the innate worth of individuals, and which also puts a premium on self-reliance and the exertion of extraordinary energies to bring about exemplary results. And the merger which has always been a part of our societal structure between business and the professions, our educational institutions, agriculture, government at all levels, is very important to us now.

I expressed as best I could at Notre Dame a few Sundays ago my complete confidence in the strength and in the future of the democratic societies in the world. In the past, there had been doubts expressed about whether or not we could withstand challenge in the world on a peaceful basis. I have no doubt about it. But it will require a concerted effort by enlightened people and you, as well as any group imaginable, can bring about that desired result.

So, I deeply appreciate your willingness to help and appreciate the fact that you are partners with me and others and pledge to you to do the best I can to make your efforts successful.

Perhaps you might have a comment or a question. I only have a couple of minutes more to be with you, and then I'd like to shake hands with a few people. If not, I'll just start shaking hands now. *[Laughter]*

Does anybody have a comment or a question?

QUESTIONS

ENERGY SUPPLIES

Q. Mr. President, as you well know, there are diametrically opposed opinions from the scientific community with the information that comes regarding the amounts of potential fuel and so forth, which obviously is very confusing to the American public.

THE PRESIDENT. Yes.

Q. What kind of a filtering process can we use to bring some credibility to probably both sides and still work with the facts?

THE PRESIDENT. I doubt that anyone knows accurately how much oil, gas, uranium, or coal still remains to be discovered. Our own estimates, I felt, were quite accurate and reasonably conservative.

The subsequent analyses that have been done by independent groups have confirmed, basically, that our own estimates are fairly accurate. Nothing would please me more than to find that we had underestimated the reserve supplies of those energy sources.

But regardless of how much is there, there can be no arguing with the fact that waste of those supplies is counterproductive to our Nation's and the world's best interests. I don't feel that a tight conservation effort, regardless of the level of supplies, is going to constrain the quality of life of American people. Waste is not good for us.

And whether the oil supplies in our own country are going to continue to drop off 6 percent per year, in spite of an increase in exploration effort of 18 to 21 percent per year, I don't know. We have no way to anticipate what will evolve in the future. But I think that the order of magnitude of error is fairly small. And the rapid increase in demand in an exponential way show that a doubling in supplies of, say, oil or natural gas, will only extend the time period from 5 to 10 years.

So, no matter what the estimates might be as far as accuracy is concerned, the need for conservation is great.

We are trying to approach this question on a multi-energy source basis. One of the reasons that I'm late today is because Prime Minister Malcolm Fraser and I and our staff members and Cabinet members had a long discussion about the question of nonproliferation, how to make sure that

nations can shift more and more toward atomic power as a source of electricity and energy and, at the same time, eliminate the increase in the number of nations that can develop atomic explosions.

We, the Canadians, Australia, Britain, and others, I think, have turned around world opinion on this subject in the last 6 months. I think it's accurate to say that half a year ago nobody thought that we could reverse the trend toward nuclear explosive proliferation. Now, I think there's a general sense among the consuming and supplier nations of atomic fuels that we can indeed control the additional spread of atomic weapons.

So, the estimates of what we have and what we need, I think, are in doubt. But the need for conserving what we do have and making sure we have an orderly energy policy to assure the best use of the energy sources, I think, cannot be doubted.

We can go on that basis. And if we find that we are pleasantly surprised in the future, every possible effort that we will have expended in ensuring an efficient use of our limited supplies will certainly have been to good purposes. I hope that our estimates are too conservative, but my fear is that they might be too liberal.

COAL PRODUCTION

Q. Mr. President, I live in the heart of the anthracite region, and the coal reserves there are supposed to be the greatest in the world right now. What 4 years ago was the main source of our economy, today has trickled to practically nothing.

Most of the miners are on pensions, and production is nothing. And up in the section where we had coal, where coal was once king, it is almost believed impossible to get coal back in production. And I'm just wondering—because Mr. Schlesinger and yourself, sir, are placing a lot of emphasis on the use of coal—are there any

plans in being that they may have to stimulate their production?

THE PRESIDENT. You come from the Johnstown area?

Q. No, I come from Hazleton.

THE PRESIDENT. Hazleton. I see.

Well, there's no doubt about the fact that many mines that have been abandoned in the past and even oil wells and natural gas wells that have been abandoned in the past because of economic circumstances are now being reexplored for exploitation because of the increasing cost of energy.

As the cost or value of coal goes up, there is inevitably going to be a reassessment of opening those same mines. We have set tremendous goals for increased coal production in our country. We have coal supplies that are equal to any in the world, as you know.

We have also a commitment on research and development for new kinds of coal combustion—the fluid bed boilers, for instance, is one that I was discussing yesterday—and the assurance that we can burn coal now of any quality with the minimum adverse effect on air pollution.

I might say that we now produce about, roughly, 600 million tons of coal per year. Our goal by 1985 is to increase that almost 90 percent, about 85 percent. So, I would guess that in the anthracite region, and also in the other coal regions, that the likelihood is that those coal mines will be reactivated.

I can't answer your question any more specifically than that. But as you know, the value of coal per ton in the last 3 or 4 years has tripled or quadrupled. And this makes it much more effective as a source, even on marginal mined areas, than it was in the past. I think the trend of increasing prices is going to continue upward very rapidly.

Maybe one more question.

ADMINISTRATION PRIORITIES

Q. In addition to energy, what are some of your other priorities for the country?

THE PRESIDENT. Well, we have a series of those priorities, I think, in the domestic field. We had four or five that were important that I outlined to Congress before they convened and before I was inaugurated.

One was to establish rigid standards of ethics in the legislative and executive branches of Government to make sure that there were no inherent, undetected conflicts of interest. I think the House and Senate have moved aggressively on that. So have I.

Another one was giving me authority to reorganize the executive branch of Government. The Congress moved expeditiously on that.

Another one was the establishment of the new Department of Energy. Although it took Lyndon Johnson, with very strong influence in the Congress, 2 full years to get approved a new Department of Transportation—which was quite dissimilar from his original proposal—I think it's accurate to say that in not much more than 3 months, the Congress will have acted expeditiously on a Department of Energy. That's good.

We now have put to the Congress the question of how to deal with the rapidly depleting reserves on social security. We only have 2 more years to go before the disability reserves are depleted, and 4 years after that, we'll lose another major source of payments to retired people. This has to be corrected.

We will present to the Congress before their August adjournment session to go home for the summer a comprehensive welfare proposal. And before the end of this year, in October, when the Congress adjourns before that time, we'll present a comprehensive tax reform proposal.

In foreign affairs—by the way, we've got about 60 or 70 other items on the domestic agenda that I'm going over with the Speaker and the majority leader on. I won't list them all. But in the international field, we've taken some initiatives that I think have restored a lot of the legitimate pride and commitment to the American people.

The human rights issue is one that I consider to be of crucial importance. I think it reestablishes our country as kind of a beacon light for something that's right and decent and proper and humane and compatible with the basic concepts on which our country was founded 200 years ago.

And although we can't ever detect tangible progress measurements, as I've said many times, there's not a national leader on Earth who hasn't now in the forefront of his or her consciousness the question of human rights. "Am I treating, as a government, the citizens of my own nation fairly? Am I subject to legitimate international condemnation?" And whether it's a totalitarian government or a democratic government like our own, we are all now trying to reassess what we are, what we stand for, and how we treat human beings.

We are also moving aggressively to control the spread of atomic weaponry, to cut down on the sale of conventional weapons. We are negotiating with the Soviet Union today in Moscow on a comprehensive test ban.

We've induced Great Britain—and they did it very enthusiastically—to join with us and the Soviet Union in this field. If we three are successful in setting a termination to the testing of nuclear weapons or nuclear explosives, I think we can then hope that France and China might join in with us later on.

We have taken some strong initiatives, some of which have been criticized, in the

Middle Eastern area. I've met with all the Middle Eastern leaders and have just received this morning an acceptance from Mr. Begin to come to Washington, I think the 19th of July, to continue those discussions with me. We hope to bring the parties together to consider a resolution of the historic disharmonies in the Middle East which threaten world peace.

We are also trying to go with the British and the Germans, the French, the Canadians, and others to help resolve the Namibian question, formerly Southwest Africa. We've had some recent successes there, and we are cooperating with the British and with the African frontline states in trying to bring some resolution to the Rhodesian question to eliminate the threat of war in southern Africa.

I think we've also strengthened our ties on an individual basis with the nations in this hemisphere. My wife returned recently from a visit with seven nations in South and Central America and in the Caribbean. She went hoping to get an appointment just to meet the heads of those nations. As her own purpose became more clearly defined, and as the publicity preceded her, she spent 7 hours with the Prime Minister of Jamaica and 5 hours with the President of Colombia and 5 hours with the President of Costa Rica, 4½ or 5 hours with the Presidents of Ecuador and Peru, 3 or 3½ hours with the President of Brazil. And this is a good indication that those nations are eager to respond to us if we treat them fairly and as equals and if we genuinely try to understand their own national identity and individuality. In the past, we've had too much of an inclination to look on the Southern Hemisphere as a kind of a conglomerate, homogeneous group.

The last thing I'll point out is that we are trying to find some equitable way to deal with the developing nations as a

group. The North-South dialog is very important to us.

So, in these different areas, we have very high goals established for ourselves. And I think if you would like to look over my own concept of what we hope to achieve in foreign affairs, my speech at Notre Dame was very carefully prepared by me and expresses our hopes and aspirations succinctly.

I can only mirror what the American people want and what the American people are willing to accept. But I think we have changed some of those concepts, and I think we've modified our own Nation's position in human rights, the sale of weapons, the reduction in the spread of nuclear explosive capability. And I hope that those efforts will continue to be successful.

I'll answer one more question, and then I'll have to go.

VIEWS ON THE PRESIDENCY

Q. Mr. President, in seeing you and hearing you, I think we have the answer. Are you happy in your new job? [*Laughter*]

THE PRESIDENT. Yes, I enjoy my new job very much. This is the loneliest week I will have spent since I quit campaigning. My family are all gone, and this is a mighty big house when you're by yourself. That's one reason I'm glad to see you here. [*Laughter*] But I've enjoyed it. I've gotten a lot of good support.

I think I've chosen a Cabinet that is superlative. There's not a single member of my Cabinet that publicly or privately has ever had any criticism from me. I'm very proud of them. There's not a single change that I would make.

And my relationships with the Congress have been very gratifying. I think when the final tabulations are made and the temporary debate publicity is forgotten, that the accomplishments of this year's

congressional efforts will be worthy of approbation and appreciation by the American people.

But I've enjoyed it very much so far. And I think that if we can just keep the American people aware of what our Nation is and what our Nation can be, we'll all have a legitimate sense of pride in having participated. And that means that you are equally responsible with me about achieving those noble aspirations.

Thank you very much.

NOTE: The President spoke at 2:45 p.m. in the East Room at the White House.

Non-Rubber Footwear Imports

Proclamation 4510. June 22, 1977

IMPLEMENTATION OF ORDERLY MARKETING AGREEMENTS—AND THE TEMPORARY QUANTITATIVE LIMITATION ON THE IMPORTATION INTO THE UNITED STATES OF CERTAIN FOOTWEAR

By the President of the United States

A Proclamation

1. On February 8, 1977, the United States International Trade Commission (USITC) reported to the President (USITC Publication 799) the results of its investigation under section 201(b) of the Trade Act (19 U.S.C. 2251(b)) (the Trade Act). The USITC determined that footwear provided for in items 700.05 through 700.85, inclusive (except items 700.51, 700.52, 700.53, 700.54, and 700.60, and disposable footwear designed for one-time use provided for in item 700.85) of the Tariff Schedules of the United States (TSUS), are being imported into the United States in such increased quantities as to be a substantial cause of serious injury to the domestic industry producing articles like or directly

competitive with the imported articles. The USITC recommended the imposition of certain tariff rate quotas on imports of the above specified articles.

2. On April 1, 1977, pursuant to section 202(b)(1) of the Trade Act (19 U.S.C. 2252(b)(1)), and after taking into account the considerations specified in section 202(c) of the Trade Act (19 U.S.C. 2252(c)), I determined to remedy the injury found to exist by the USITC through the negotiation of orderly marketing agreements with appropriate suppliers of footwear, as authorized by section 203(a)(4) of the Trade Act (19 U.S.C. 2253(a)(4)); and announced my intention to negotiate such agreements calling for limits on the export from certain foreign countries, and the import into the United States, of certain footwear. On April 1, 1977, in accordance with section 203(b)(1) of the Trade Act (19 U.S.C. 2253(b)(1)), I transmitted a report to the Congress setting forth my determination and intention to negotiate orderly marketing agreements and stating the reasons why my decision differed from the action recommended by the USITC.

3. Section 203(e)(1) of the Trade Act (19 U.S.C. 2253(e)(1)) requires that import relief be proclaimed and take effect within 90 days after a Presidential determination to negotiate orderly marketing agreements.

4. Pursuant to the authority vested in the President by the Constitution and the statutes of the United States, including section 203(a)(4) of the Trade Act (19 U.S.C. 2253(a)(4)), orderly marketing agreements were concluded on June 14, 1977, between the Government of the United States of America and the Government of the Republic of China, and on June 21, 1977, between the Government of the United States of America and the Government of the Republic of Korea, limiting the export from the Republics of

China and Korea, respectively, and the import into the United States, of footwear provided for in items 700.05 through 700.85, inclusive (except items 700.51, 700.52, 700.53, 700.54, 700.60, 700.75, and disposable footwear designed for one-time use provided for in item 700.85) of the TSUS.

5. Pursuant to section 203(k)(1) of the Trade Act (19 U.S.C. 2253(k)(1)), I have considered the relation of such actions to the international obligations of the United States.

6. In accordance with section 203(d)(2) of the Trade Act (19 U.S.C. 2253(d)(2)), I have determined that the level of import relief hereinafter proclaimed permits the importation into the United States of a quantity or value of articles which is not less than the average annual quantity or value of such articles imported into the United States from the Republic of Korea, and from the Republic of China, in the 1974-1976 period, which I have determined to be the most recent representative period for imports of such articles.

NOW, THEREFORE, I, JIMMY CARTER, President of the United States of America, acting under the authority vested in me by the Constitution and statutes of the United States, including section 203 of the Trade Act (19 U.S.C. 2253), and section 301 of title 3, United States code, do hereby proclaim:

(1) Orderly marketing agreements were entered into on June 14, 1977, and June 21, 1977, between the Government of the United States of America and the Government of the Republic of China and the Government of the Republic of Korea, respectively, with respect to trade in certain footwear, effective June 28, 1977. The orderly marketing agreements account for a major part of the United States imports of the articles covered by the agreements. Said orderly marketing agreements are to be implemented accord-

ing to their terms and as directed in this proclamation, including the Annex thereto.

(2) Subpart A, part 2 of the Appendix to the TSUS is modified as set forth in the Annex to this proclamation.

(3) The President's authority under section 203(e)(2) of the Trade Act (19 U.S.C. 2253(e)(2)), to negotiate orderly marketing agreements with other foreign suppliers after import relief goes into effect is hereby delegated to the Special Representative for Trade Negotiations (hereinafter referred to as the "Special Representative"). The President's authority under section 203(e)(3) of the Trade Act (19 U.S.C. 2253(e)(3)) to determine that any agreement negotiated pursuant to section 203(a)(4) or 203(e)(2) of the Trade Act (19 U.S.C. 2253(a)(4) and (e)(2)) is no longer effective is hereby delegated to the Special Representative, to be exercised in conformity with paragraph (4)(a) below. In the event of such a determination, the Special Representative shall prepare any proclamations that may be appropriate to implement import relief authorized by section 203(e)(3) of the Trade Act (19 U.S.C. 2253(e)(3)). The President's authority in section 203(g)(1) and (2) of the Trade Act (19 U.S.C. 2253(g)(1) and (2)) to prescribe regulations governing the entry, or withdrawal from warehouse, for consumption of articles covered by the orderly marketing agreements and to issue rules and regulations governing the entry, or withdrawal from warehouse, for consumption of like articles which are the product of countries not parties to such agreements, has been delegated to the Secretary of the Treasury pursuant to section 5(b) of Executive Order No. 11846. Such authority shall be exercised by the Secretary of the Treasury, upon direction by the Special Representative in consultation with representatives

of member agencies of the Trade Policy Staff Committee.

(4) In exercising the authority delegated in paragraph (3) above, the Special Representative shall, in addition to other necessary actions, institute the following actions:

(a) Should the export restraint levels specified in the orderly marketing agreements described in paragraph (1) above, and in the Annex to this proclamation be exceeded, or should imports from countries not parties to such agreements increase in such quantities as to disrupt the effectiveness of the orderly marketing agreements, the Special Representative, after consultation with representatives of member agencies of the Trade Policy Staff Committee, may make a determination that for the purposes of section 203(e)(3) of the Trade Act the orderly marketing agreements do not continue to be effective.

(b) Beginning on June 28, 1977, if during any restraint period the quantity of imports of footwear of the types covered by the agreements, from countries other than the Republic of China and the Republic of Korea, appear likely to disrupt the effectiveness of the provisions of the orderly marketing agreements described in paragraph (1) above, the Special Representative may initiate consultations with those countries responsible for such disruptions and may prevent further entry of such articles for the remainder of that restraint period or may otherwise moderate or restrict imports of such articles from such countries pursuant to section 203(g)(2) of the Trade Act. Before exercising this authority, the Special Representative shall consult with representatives of the member agencies of the Trade Policy Staff Committee.

(c) Should the Special Representative determine, pursuant to this proclamation, to institute import restrictions on articles

entered, or withdrawn from warehouse, for consumption from countries other than the Republic of China or the Republic of Korea pursuant to this proclamation, such action shall become effective not less than eight days after such determination and any necessary changes in the TSUS have been published in the **FEDERAL REGISTER**.

(5) The Special Representative shall take such actions and perform such functions for the United States as may be necessary concerning the administration, implementation, modification, amendment or termination of the agreements described in paragraph (1) of this proclamation, and any actions and functions necessary to implement paragraphs (3) and (4) of this proclamation. In carrying out his responsibilities under this paragraph the Special Representative is authorized to delegate to appropriate officials or agencies of the United States authority to perform any functions necessary for the administration and implementation of the agreements or actions. The Special Representative is authorized to make any changes in Part 2 of the Appendix to the TSUS which may be necessary to carry out the agreements or actions. Any such changes in the agreements shall be effective on or after their publication in the **FEDERAL REGISTER**.

(6) The Commissioner of Customs shall take such actions as the Special Representative shall determine are necessary to carry out the agreements described in paragraph (1) of this proclamation, and to implement any import relief implemented pursuant to paragraphs (3) and (4) of this proclamation, or any modification thereof, with respect to the entry, or withdrawal from warehouse, for consumption into the United States of products covered by such agreements or by such other import relief.

(7) This proclamation shall be effective as of June 28, 1977, and shall continue in force through June 30, 1981, unless the period of its effectiveness is earlier expressly modified or terminated.

IN WITNESS WHEREOF, I have hereunto set my hand this twenty-second day of June in the year of our Lord, nineteen hundred and seventy seven, and of the Independence of the United States of America the two hundred and first.

JIMMY CARTER

[Filed with the Office of the Federal Register, 10:43 a.m., June 23, 1977]

NOTE: The text of the annex is printed in the **FEDERAL REGISTER** of June 24, 1977.

The proclamation was not issued in the form of a White House press release.

Status of Indochina Refugees

***Letter to Senate and House Committee
Chairmen Transmitting a Report.
June 23, 1977***

In accordance with the provisions of the Indochina Migration and Refugee Assistance Act of 1975, I am reporting to you on the status of refugees from Cambodia and South Vietnam.

We continue to make progress in assisting the Indochina refugee to become a self-sufficient member of his new community. Refugee employment rates are very encouraging. Income levels, however, are low and income supplementation through cash assistance programs is relatively high. Professional certification, English language proficiency, and the development of marketable job skills are approaches being used to improve the employment position of the refugee. Passage of legislation to adjust refugee immigration status from parolee to permanent resident alien will assist in opening new employment and educational opportunities for the refugee.

I want to thank the many individual families and public and private institutions that contribute so generously to this program. With their assistance, we draw near to a successful conclusion of this humanitarian effort.

Sincerely,

JIMMY CARTER

NOTE: This is the text of identical letters addressed to the Honorable James O. Eastland, chairman, Senate Committee on the Judiciary; the Honorable Peter W. Rodino, chairman, House Committee on the Judiciary; the Honorable John J. Sparkman, chairman, Senate Committee on Foreign Relations; the Honorable Clement J. Zablocki, chairman, House Committee on International Relations; the Honorable John L. McClellan, chairman, Senate Committee on Appropriations; and the Honorable George H. Mahon, chairman, House Committee on Appropriations.

The report is entitled "Task Force for Indochina Refugees, Report to the Congress, June 20, 1977."

The letter was not issued in the form of a White House press release.

United States Ambassador to Greece

*Nomination of William E. Schaufele, Jr.
June 23, 1977*

The President today announced that he will nominate William E. Schaufele, Jr., of Avon Lake, Ohio, to be Ambassador Extraordinary and Plenipotentiary of the United States to Greece. Schaufele is Assistant Secretary of State for African Affairs.

He was born December 7, 1923, in Lakewood, Ohio. He received a B.A. from Yale University in 1948 and an M.I.A. from Columbia University in 1950. He served in the U.S. Army from 1943 to 1946.

From 1950 to 1952, Schaufele was resident officer in Pfaffenhofen/Ilm and Augsburg, Germany. He was labor officer

in Dusseldorf in 1952 and 1953 and visa officer and economic officer in Munich from 1953 to 1956. From 1956 to 1957, he was an international economist in the Foreign Reporting Division, Bureau of Economic Affairs.

Schaufele was a training officer at the Foreign Service Institute in 1957 and 1958. From 1959 to 1963, he was labor officer in Casablanca, and from 1963 to 1964 he was principal officer in Bukavu, Congo. From 1964 to 1965, he was officer-in-charge, Congo affairs.

From 1965 to 1966, Schaufele was Deputy Director of the Office of Central African Affairs. He was alternate country director for Central Africa, Malagasy, and Mauritius in 1966 and 1967. From 1967 to 1969, he was country director for West Central Africa.

Schaufele was Ambassador to Upper Volta from 1969 to 1971. From 1971 to 1973, he was senior adviser to the U.S. Representative to the United Nations, and from 1973 to 1975 he was Deputy Representative of the United States in the Security Council of the U.N. He served as Inspector General in the Foreign Service in 1975 and since 1975 has been Assistant Secretary of State for African Affairs.

Schaufele served as U.S. Alternate Representative to the 28th (1973) and 29th (1974) Sessions of the General Assembly of the United Nations and as U.S. Representative to the Sixth Special Session of the General Assembly in 1974.

Nuclear Regulatory Commission

Nomination of Kent F. Hansen To Be a Member. June 23, 1977

The President today announced that he will nominate Kent F. Hansen, of Bedford, Mass., to be a member of the Nu-

clear Regulatory Commission. Hansen is professor of nuclear engineering at the Massachusetts Institute of Technology.

He was born August 10, 1931, in Chicago, Ill. He received an S.B. (1953) and an Sc. D. (1959) from Massachusetts Institute of Technology.

From 1953 to 1956, Hansen was a research assistant at MIT's High Voltage Laboratory. He was on the staff of the Los Alamos Scientific Laboratory in New Mexico in the summers of 1956 and 1957 and was a research assistant at the Computation Center at MIT during 1956-57 and 1957-58.

Hansen was senior engineer at Sylvania Electric Products in Waltham, Mass., in 1958 and 1959. In 1959 and 1960, he was a research associate in the MIT Computation Center, and he has been on the faculty in nuclear engineering at MIT since then, as assistant professor from 1960 to 1965, associate professor from 1965 to 1969, and professor since 1969.

Hansen is a fellow of the American Nuclear Society and was a Ford Postdoctoral Fellow in engineering in 1960-61. He has served as a consultant to numerous government and private organizations.

Federal Home Loan Bank Board

Nomination of Robert H. McKinney To Be a Member. June 23, 1977

The President today announced that he will nominate Robert H. McKinney, of Indianapolis, Ind., to be a member of the Federal Home Loan Bank Board. The President also indicated that if confirmed by the Senate, McKinney would be designated Chairman of the Board. McKinney is senior partner in the law firm of Bose, McKinney & Evans, chairman of the First Federal Savings and Loan Associa-

tion in Indianapolis, and chairman and chief executive officer of Jefferson Corporation and its subsidiaries.

McKinney was born November 7, 1925, in Indianapolis, Ind. He received a B.S. from the U.S. Naval Academy in 1946 and a J.D. from Indiana University School of Law in 1951. He served in the U.S. Navy from 1951 to 1953.

From 1953 to 1963, McKinney was with the law firm of McHale, Cook, Welch & McKinney. He has been with First Federal Savings and Loan since 1953, with the Jefferson Corporation since 1959, and with Bose, McKinney & Evans since 1963.

Between 1964 and 1968, McKinney was legal counsel to the Governor of Indiana. He was a delegate to the Democratic National Convention in 1976 and chairman of the Indiana Carter campaign.

Democratic National Committee Dinner

Remarks at the Fundraising Dinner in New York City. June 23, 1977

I've enjoyed seeing all of you tonight individually. If I missed anyone, if you would stand by the door—[laughter]—after my brief speech, I'd like to shake your hand.

This is the largest crowd I've seen since we had our last White House staff meeting. Of course, as you know, they are all temporary, and you are permanent Democrats, so there is quite a difference.

Originally we had thought about having this supper in Queens, but Andy Young—[laughter]—figured it would be best downtown tonight. Andy has helped me a lot. He made it clear that I was not the only one that gave a Playboy interview. And it's sometimes kind of hard to

know exactly how he means things, as you may or may not have noticed. He pointed out to the Playboy people that I still was filled with lust, but I didn't discriminate. [Laughter]

I've really learned a lot in this brief 5 months as President. I've learned a lot from some of you, as a matter of fact. I know how the young man felt who climbed up the tall building, and after great exertion, he got to the top and found out his reward was a \$250,000 lawsuit. I ran for 2 years, and the only thing I've got out of it so far is an income tax audit. [Laughter]

I've learned, too, about compromise. The mayor fined him \$250,000 and had to settle for \$1.10. It reminds me of my compromises with the Congress so far. I'm learning. They told me I'd always have a second chance. But I haven't found it to be the case yet. As a matter of fact, my tax audit is coming out OK. The only thing they've questioned so far is a \$600 bill for toothpaste. But it paid off. I'm President. [Laughter]

Tonight I do want to thank Arthur Krim and Steve Ross and Mary Lasker for being our hosts and hostess.

But I would like to recognize one special person in the audience who hasn't yet been recognized. When I started campaigning for President a long time ago, and I would come to New York for a fundraiser, there would be four or five people present in this early friend's apartment—and she worked awfully hard to get five people to come. And I want to ask Alice Mason if she would stand.

Arthur Krim wins both ways. He is recognized throughout the Nation as a man who has given his heart to sacrificial public service. And when I knew that he and Steve and Mary would be in charge of this banquet, I had no doubt about the outcome.

But he also benefits from the Democrats as well. Late this past year there was a movie that was going to be made about the former Republican Governor of New York. And he found that he couldn't have this biographical film made, so Arthur went down to Philadelphia and got a Democrat ethnic with the same first name as Rocky and made a film, and he made a lot of money on it. [Laughter] So, the Democrats help Arthur Krim as well as helps us.

There are some fine people here. I seriously want to recognize Governor Carey, who has a balanced budget, which I hope to have in Washington, and who for the first time in 57 years has been successful in getting a tax reduction for New York citizens. I think that's a very fine achievement.

And Abe Beame, who helped me when I needed help, who stood staunchly with me, is appreciated tonight. But I think the most I have ever appreciated my good friend Abe Beame was on election night when the returns came in from New York City and the former President, whose name escapes me—[laughter]—got 33 percent and Jimmy Carter got 67 percent in New York City. And I thank him for that.

And I am very grateful that my associate Walter Mondale is here. I've done the best I could to find something for him to do. [Laughter] And I have really been successful. I think all of the news reporters would agree that above and beyond any previous Vice President, he's done a superb job. And he's had his hands full, and he's been well received wherever he's been.

I would like to ask you to keep him from getting lonesome in the White House. And he's given me a list of his projects and wanted me to call them out to you. If you have a question about the Concorde, Northern Ireland, abortion, gay rights,

downtown parking—and he was also in charge of the \$50 rebate. [*Laughter*]

I've just put him in charge of a much more important project. I know that you feel that the rest of the country supports you in a time of crisis when New York's spirits have been low. And I believe that if anyone can bring Tom Seaver¹ back, Fritz can. [*Laughter*] So, call on him.

And last I would like to recognize the greatest Democrat who lives in our country—Hubert Humphrey. I think when anyone tries to assimilate in one's mind what the Democratic Party is, what it stands for, its cleanness, its decency, its compassion and humanity, its fairness and its honesty and its dedication, its love for people, the personification of all those things is Senator Humphrey. He has been a great help to me and an inspiration.

I think it's good to point out tonight, too, that we have evolved a good working relationship with the Congress. For 8 years we had government by partisanship. Now we have government by partnership.

And we've had good success. I'm new in Washington, as you know. I've never served there before in my life until last January 20. But in this brief period of time, there has been a remarkable demonstration of compatibility and mutual purpose between the White House and Capitol Hill.

When I was preparing to be inaugurated, I had meetings with different Members of Congress, and there were five basic questions that I wanted to present to them as goals I hoped to achieve sometime in the future. One was for both Houses to pass strict ethics legislation to make sure that conflicts of interest that had embarrassed our Nation in the past were over. And they have both already done that.

¹ A baseball player who had been traded from the New York Mets to the Cincinnati Reds.

I wanted to see a strong economic stimulus package passed, and without delay the Congress has acted again.

I wanted to be given authority to reorganize the executive branch of Government and to be given immediate direction to proceed without delay. And the Congress, of course, has acted on that as well.

I recognize that when Lyndon Johnson was in the White House, he pushed hard and worked hard and 2 years later finally got some semblance of the Department of Transportation that he wanted—2 years.

We asked the Congress 3 months ago to establish for our country a new Department of Energy. And they have already acted, and I believe that the conference committee will complete their work and I will sign this legislation into law very close to the Fourth of July.

So, four of the five major issues that I asked for have already been completed—an absolutely unprecedented achievement on the part of the Congress.

And the other one of the five was equally difficult. And that was to evolve a new energy policy for our country that would be adequate and fair with vision for the future and a realization that we need to conserve our precious possessions that provide us with jobs, heat, light, and a possibility for progress. And the Congress is making good progress, in spite of tremendous complexity and tremendous pressure from special interest groups, many of them quite benevolent. But it's going to take a lot of courage, and I have no doubt that the Congress can exemplify the requisite courage themselves.

So, to sum up my own feeling toward the Congress, it's one of appreciation for their achievements and also appreciation for the partnership that we've formed.

I want to work in the future with you and the Congress to continue to strip away the secrecy from government, to let the

American people know what we do, to observe our achievements, yes, but also to observe our failures and our needs, our shortcomings and our mistakes.

I believe that we'll make sounder judgments in domestic and foreign affairs if the American people's tremendous vitality, intelligence, sound judgment, and experience can be tapped in government. And I think all of us in Washington will perform better knowing that you know how we do perform.

I want to be sure that our cities are strong, that the housing programs, transportation programs, control of crime, job opportunities are centered for a change in the areas that have been deteriorating in the past but which will come to life in the future.

And those members of my Cabinet who are directly responsible for these major programs are here tonight to reaffirm our joint commitment to the great cities of our country, the greatest of which we are in tonight.

I think you know that when a problem arrives on the President's desk in the Oval Office or on Capitol Hill, that it's one that can't be solved by individuals or within a family or by mayors or county officials or by Governors or State legislatures. They are the most difficult of all, the ones that have far-reaching national and international significance and the one where controversy abounds. But I don't have any fear that our democratic process can work. And as I expressed to the graduating class at Notre Dame a few Sundays ago—and, I hope, to the world—I believe that we've demonstrated already that our Nation is vital, that we've made serious mistakes in the past, that we've taken bold action to correct those mistakes and prevent their recurrence, and that we have faith in our system of government.

We can correct the problems that relate to social security. We can have an

effective and fair welfare system. We can have a fair tax structure. We're working to bring down the unemployment rate. And it's already fallen precipitously, which is a good accomplishment and, I think, an equally good omen for the future.

At the same time, we're trying to stop nuclear proliferation around the world. I think 8 months ago there was a general feeling among the leaders of nations on this Earth that it was too late, that the genie that could kill all mankind had escaped, that there was no way to put it back in the bottle. But we've worked very closely with our friends and allies in Canada, Australia, Britain, and other countries to make sure that the peaceful use of atomic power can continue to generate electricity and give us power but that the waste products that can be changed into explosives would be carefully controlled.

And I believe we now have a good prospect for success. We are trying to cut down on the indiscriminate sale of conventional weapons around the world, particularly to those countries that can't afford them. And we are trying to get other nations to join in a voluntary reduction in their demands for weapons.

We are trying to alleviate tensions that have divided other countries one from another, without intruding into the internal affairs of those countries. We've established, working with many other people, a basic commitment to human rights, and now I think our Nation stands as a beacon light so that we can be proud of ourselves, that we can restore the commitments that made our Nation great beginning 200 years ago, and we can also set an example for the world.

It's not an easy thing. There's a lot of controversy around it. And I think that when you say the words "human rights," that is in itself an action. And if you see those who are suffering today in political

prisons, those who have been kept from free travel, those who have suffered because their families are divided, the action that they took was a few words. But I think now there's a general feeling around the world that we each must make our own nations free of legitimate criticism from other countries and among our own citizens.

This change is slow, but I think it exemplifies what the American people feel, and I believe it's an achievement of which we can be proud.

We are discussing without cessation a reduction in strategic atomic weapons with the Soviet Union. We are negotiating today in Moscow to eliminate the testing of atomic explosives. We are trying to move toward demilitarization of the Indian Ocean and to lessen tensions which might lead to war.

These kinds of efforts, I think, will be successful if I can accurately represent what you are and what you want our Nation to do and to be. Because if I speak after a policy is evolved in secrecy, I speak with a single voice. But if you participate in the debate and the discussion and then I evolve a policy based on what you want, I speak with the voice of 215 million Americans.

And the last thing I want to say is this. Senator Humphrey, Vice President Mondale, many of the members of the Cabinet, the Members of the Congress are working closely with me in the hopes that not too far in the future we might arrive at a settlement in the Middle East that will guarantee a permanent status of a free, strong, secure, and peaceful Israel.

These are some of the purposes of our party, in the White House and in the Capitol, and they are purposes of yours. None of them are easy. Many of the problems that we are now addressing have been postponed for year after year, decade after decade, some even for genera-

tions. But I believe that the best way that we can prevent a further deterioration in the circumstances that do concern us is to address them forcefully and with courage and with mutual support.

We need your help, not just to raise funds for our party but also to make sure that the purposes of our Nation are realized and that we who serve in public office as Democrats and as Americans can deserve your trust and that together we might continue to be proud of our country, the greatest nation on Earth.

Thank you very much.

NOTE: The President spoke at 10 p.m. in the Grand Ballroom at the Waldorf-Astoria Hotel.

Color Television Receiver Imports

Proclamation 4511. June 24, 1977

IMPLEMENTATION OF ORDERLY MARKETING AGREEMENT ON CERTAIN COLOR TELEVISION RECEIVERS

By the President of the United States of America

A Proclamation

1. On March 22, 1977, the United States International Trade Commission (USITC) reported to the President (USITC Publication 808) the results of its investigation under subsection (b) of section 201 of the Trade Act (19 U.S.C. 2251(b)) (the Trade Act). The USITC determined that color television receivers assembled or not assembled, finished or not finished, provided for in item 685.20 of the Tariff Schedules of the United States (TSUS) are being imported into the United States in such increased quantities as to be a substantial cause of serious injury to the domestic industry producing articles like or directly competitive

with the imported articles. By an evenly divided vote, three USITC Commissioners determined serious injury to exist in the monochrome television receiver industry and three Commissioners made no determination of injury with respect to the monochrome receiver industry. The Commissioners also had an evenly divided determination on the question of injury to that portion of the industry producing subassemblies of color television receivers, also provided for in item 685.20 of the TSUS. On those articles on which an injury determination was made, the Commission recommended the imposition of an increased tariff.

2. Pursuant to section 330(d) of the Tariff Act of 1930 (19 U.S.C. 1330(d)), in the case of an evenly divided vote on serious injury the President may consider the determination agreed upon by either group of Commissioners as the determination of the Commission. On May 19, 1977, I determined to accept the determination of those Commissioners making no determination of injury to the monochrome television receiver industry as the determination of the Commission and to accept the determination of those Commissioners finding serious injury to that portion of the industry producing subassemblies of color television receivers as the determination of the Commission.

3. On May 19, 1977, pursuant to Section 202(b)(1) of the Trade Act (19 U.S.C. 2252(b)(1)), and after taking into account the considerations specified in section 202(c) of the Trade Act (19 U.S.C. 2252(c)), I determined to remedy the serious injury found to exist by the USITC through the negotiation of an orderly marketing agreement with Japan, the major supplier of color television receivers to the U.S. market, pursuant to section 203(a)(4) of the Trade Act (19 U.S.C. 2253(a)(4)); and announced my

intention to conclude such an agreement limiting the export from Japan into the United States of color television receivers and certain of their subassemblies, and setting conditions under which the United States would limit imports into the United States of such articles. On May 19, 1977, in accordance with section 203(b)(1) of the Trade Act (19 U.S.C. 2253(b)(1)), I transmitted a report to the Congress setting forth my determination and intention to conclude an orderly marketing agreement and stating the reasons why my decision differed from the action recommended by the USITC.

4. Section 203(e)(1) of the Trade Act (19 U.S.C. 2253(e)(1)) requires that import relief be proclaimed and take effect within 90 days after a Presidential determination to negotiate an orderly marketing agreement.

5. Pursuant to the authority vested in the President by the Constitution and the statutes of the United States, including section 203(a)(4) of the Trade Act (19 U.S.C. 2253(a)(4)), an orderly marketing agreement was concluded on May 20, 1977, between the Government of the United States of America and the Government of Japan, limiting the export from Japan to the United States of color television receivers and certain subassemblies thereof, for a period of three years beginning July 1, 1977, to 1.75 million units in each annual restraint period, and setting forth conditions under which limitations would be placed on the importation into the United States of such articles by the Government of the United States. The agreement shall be implemented by the terms of the Notes exchanged and as directed in this proclamation.

6. In accordance with section 203(d)(2) of the Trade Act (19 U.S.C. 2253(d)(2)), I have determined that the level

of import relief hereinafter proclaimed permits the importation into the United States of a quantity or value of articles which is not less than the average annual quantity or value of such articles imported into the United States from Japan in the 1972-1975 period, which I have determined to be the most recent representative period for imports of such articles.

NOW, THEREFORE, I, JIMMY CARTER, President of the United States of America, acting under the authority vested in me by the Constitution and statutes of the United States, including section 203 of the Trade Act (19 U.S.C. 2253) and section 301 of Title 3 of the United States Code, do hereby proclaim:

(1) An orderly marketing agreement was entered into on May 20, 1977, between the Government of the United States of America and the Government of Japan with respect to the trade in certain articles of color television receivers effective July 1, 1977. The orderly marketing agreement with Japan accounts for a major part of the United States imports of the articles covered by the agreement. The orderly marketing agreement is to be implemented according to its terms and as directed in this proclamation.

(2) The President's authority under section 203(e)(2) of the Trade Act (19 U.S.C. 2253(e)(2)) to negotiate orderly marketing agreements with other foreign suppliers of articles subject to this proclamation after any import relief proclaimed pursuant to Sec 203(a)(1)(2)(3) or (5) takes effect, is hereby delegated to the Special Representative for Trade Negotiations (hereinafter referred to as the "Special Representative"). The President's authority under section 203(e)(3) of the Trade Act (19 U.S.C. 2253(e)(3)) to determine that any agreement negotiated pursuant to section 203(a)(4) or (5) or 203(e)(2) of the Trade

Act (19 U.S.C. 2253(a)(4)(5) and (e)(2)) is no longer effective is hereby delegated to the Special Representative, to be exercised in conformity with paragraph (4) below. In the event of such a determination, the Special Representative shall prepare any proclamations that may be appropriate to implement import relief authorized by section 203(e)(3) of the Trade Act (19 U.S.C. 2253(e)(3)).

(3) The President's authority in section 203(g)(1) and (2) of the Trade Act (19 U.S.C. 2253(g)(1) and (2)) to prescribe regulations governing the entry or withdrawal from warehouse of articles covered by the orderly marketing agreement and to issue rules and regulations governing the entry, or withdrawal from warehouse, for consumption of like articles which are the product of countries not parties to such agreement, has been delegated to the Secretary of the Treasury pursuant to section 5(b) of Executive Order No. 11846. Such authority shall be exercised by the Secretary of the Treasury, upon direction by the Special Representative, in consultation with representatives of the member agencies of the Trade Policy Staff Committee.

(4) In exercising the authority delegated in paragraphs (2) and (3) above, the Special Representative shall, in addition to other necessary actions, institute the following actions:

(a) Statistics on imports from Japan and from all other sources of articles covered by the agreement shall be collected on a monthly basis. Should the export restraint level specified in the orderly marketing agreement with the Government of Japan be exceeded, or should imports from countries not parties to such agreement increase in such quantities so as to disrupt the effectiveness of the orderly marketing agreement, the Special Representative, after consultation with

representatives of member agencies of the Trade Policy Staff Committee, may make a determination that for the purposes of section 203(e)(3) of the Trade Act the orderly marketing agreement does not continue to be effective.

(b) With respect to the products of Japan, beginning on July 1, 1977, the Special Representative may direct the Commissioner of Customs to restrict the entry, or withdrawal from warehouse, for consumption of articles subject to the orderly marketing agreement which are not accompanied by a valid export certificate showing authorization for export to the United States pursuant to the provisions of the agreement.

(c) With respect to the products of Japan, entry, or withdrawal from warehouse, for consumption of articles not accompanied by a valid export certificate will be denied for the remainder of a restraint year should the total amount of such articles entered, or withdrawn from warehouse, for consumption in the United States reach three percent of the level for that restraint period specified in the agreement.

(d) With respect to the products of other countries, beginning on July 1, 1977, if the quantity of imports of all other countries, excluding Japan, of the articles subject to import relief under this proclamation appear likely during a 12 month period to disrupt the effectiveness of the orderly marketing agreement, the Special Representative may initiate consultations with those countries responsible for such disruption and may prevent further entries of such articles for the remainder of the restraint period or otherwise moderate or restrict the imports from such countries pursuant to section 203(g)(2) of the Trade Act, (19 U.S.C. 2253(g)(2)). Before exercising this authority, the Special Representative shall consult with rep-

representatives of the member agencies of the Trade Policy Staff Committee.

(e) Should the Special Representative determine to institute import restrictions on articles entered, or withdrawn from warehouse, for consumption from Japan or from other countries pursuant to paragraphs (2) and (4)(d) of this proclamation, such action shall become effective not less than eight days after such determination and any necessary changes in the TSUS have been published in the *FEDERAL REGISTER*.

(5) The Special Representative shall take such actions and perform such functions for the United States as may be necessary concerning the administration, implementation, modification, amendment or termination of the agreement described in paragraph (1) of this proclamation and any actions and functions necessary to implement paragraphs (2), (3) and (4) of this proclamation. In carrying out his responsibilities under this paragraph the Special Representative is authorized to delegate to appropriate officials or agencies of the United States authority to perform any functions necessary for the administration and implementation of the agreement or actions. The Special Representative is authorized to make any changes in Part 2 of the Appendix to the TSUS which may be necessary to carry out the agreement or actions. Any such changes in the agreement shall be effective on or after their publication in the *FEDERAL REGISTER*.

(6) The Commissioner of Customs shall take such actions as the Special Representative shall determine are necessary to carry out the agreement described in paragraph (1) of this proclamation and to implement any import relief pursuant to paragraphs (2), (3) and (4) of this proclamation, or any modification thereof, with respect to the entry or withdrawal

from warehouse, for consumption into the United States of products covered by such agreement or by such other import relief.

(7) The USITC shall issue reports and conduct the following surveys with respect to color television receivers and related products:

(a) *Quarterly*. Surveys by calendar quarter to obtain from producers in the United States monthly data on production, shipments, inventories, employment man-hours, and prices, and other economic factors indicative of conditions in the U.S. industry. The initial surveys shall cover the fourth quarter of 1976 and the first two quarters of 1977. Subsequent surveys shall cover individual quarters with the last such survey covering the quarter which ends not less than 60 days prior to the termination of the import relief. The USITC shall publish the results of the initial surveys by September 1, 1977 and the results of later surveys within 45 days of the end of the surveyed quarter.

(b) *Annual*. Annual surveys to obtain data from producers in the United States by calendar quarter on profits, capacity, and annual data on capital expenditures and research and development expenditures; and to obtain from importers data by calendar quarter on prices, orders, and inventories. The initial surveys shall cover the calendar year 1976 and the calendar year 1977, and the results shall be published by March 31, 1978. The results of subsequent surveys shall be published by March 31 of each year thereafter so long as the import relief is in effect.

(8) The proclamation shall be effective as of July 1, 1977, and shall continue in force through June 30, 1980, unless the period of its effectiveness is earlier expressly modified or terminated.

IN WITNESS WHEREOF, I have hereunto set my hand this twenty-fourth day

of June in the year of our Lord, nineteen hundred and seventy seven, and of the Independence of the United States of America the two hundred and first.

JIMMY CARTER

[Filed with the Office of the Federal Register, 12:23 p.m., June 24, 1977]

NOTE: The proclamation was not issued in the form of a White House press release.

Digest of Other White House Announcements

The following listing includes the President's daily schedule and other items of general interest as announced by the White House Press Office during the period covered by this issue. Events and announcements printed elsewhere in the issue are not included.

June 20

The President met at the White House with:

- Zbigniew Brzezinski, Assistant to the President for National Security Affairs;
- senior White House staff members;
- the Cabinet;
- Vice President Walter F. Mondale;
- a group of Senators and Congressmen, to discuss airline industry reform;
- Charles L. Schultze, Chairman of the Council of Economic Advisers;
- Professor Joao Fernando Sobral, president, and Ulysses Buffington, international director, Lions International, and Senator Jennings Randolph of West Virginia;
- Kenneth M. Curtis, chairman of the Democratic National Committee;
- Peter B. Bensinger, Administrator of the Drug Enforcement Administration.

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June 21

The President met at the White House with:

- Dr. Brzezinski;
- the bipartisan congressional leadership;
- Senator Robert C. Byrd, majority leader of the Senate, and Representative Thomas P. O'Neill, Jr., Speaker of the House;
- a group of administration officials to review the budget for fiscal year 1979;
- W. Michael Blumenthal, Secretary of the Treasury, Dr. Arthur F. Burns, Chairman of the Board of Governors of the Federal Reserve System, Bert Lance, Director of the Office of Management and Budget, and Dr. Schultze;
- Vice President Mondale, Adm. Stansfield Turner, Director of Central Intelligence, and Dr. Brzezinski;
- Secretary of Defense Harold Brown;
- Max Cleland, Administrator of Veterans Affairs, Mr. Lance, Suzanne H. Woolsey, Associate Director of the Office of Management and Budget for Human and Community Affairs, Jack H. Watson, Jr., Assistant to the President for Intergovernmental Affairs, and Stuart E. Eizenstat, Assistant to the President for Domestic Affairs and Policy.

The White House announced that the President has accorded Leon Sloss, an Assistant Director of the U.S. Arms Control and Disarmament Agency, the personal rank of Ambassador while serving as the U.S. Representative to the Seabed Arms Control Treaty Review Conference, to be held in Geneva from June 20 to July 1.

The White House announced that the President has sent a congratulatory message to Prime Minister Menahem Begin of Israel. The message included an invita-

tion for the Prime Minister to pay an official working visit to the United States. The invitation was accepted for July 19 and 20.

June 22

The President met at the White House with:

- Dr. Brzezinski;
- members of the House Ways and Means Committee;
- John C. West, U.S. Ambassador to Saudi Arabia.

The White House announced the President's intention to cut back on the White House helicopter fleet by 38 percent in order to save the taxpayers an estimated \$2 million per year. To achieve this savings, the President is eliminating five of the aircraft from the present fleet of thirteen. The aircraft are to be returned to the Defense Department inventory.

The President transmitted to the Congress the 1976 annual report of the U.S. Civil Service Commission.

June 23

The President met at the White House with:

- Dr. Brzezinski;
- a group of Democratic Senators;
- Mayor Coleman A. Young of Detroit, Senator Robert P. Griffin of Michigan, Lt. Gov. James L. Dammann of Michigan, Thomas A. Murphy, chairman of the board of the General Motors Corp., and Mr. Watson;
- Mr. Lance;
- a group of administration officials to discuss the reorganization of the executive branch;
- a group of administration officials to review the budget for fiscal year 1979;
- Representative Robert C. Krueger of Texas.

The President transmitted to the Congress the 1976 annual report of the President on the Trade Agreements Program.

June 24

The President met at the White House with:

- Dr. Brzezinski;
- Representative Nick J. Rahall II of West Virginia;
- Sir Geoffrey de Freitas, president of the North Atlantic Assembly;
- Dr. Schultze;
- Vice President Mondale, Admiral Turner, and Dr. Brzezinski;
- Representative James C. Wright, Jr., of Texas;
- Rev. William D. Johnson, Jr., editor and manager of the African Methodist Episcopal Church Review in Atlanta, Ga.

In a ceremony in the Oval Office at the White House, the President received diplomatic credentials from Ambassadors Virgilio Barco of Colombia, Abdelaziz Maoui of the Democratic and Popular Republic of Algeria, and Ali Bengelloun of the Kingdom of Morocco.

The White House Press Office made available copies of the President and Mrs. Carter's income tax returns for 1976.

NOMINATIONS SUBMITTED TO THE SENATE

The following list does not include promotions of members of the Uniformed Services, nominations to the Service Academies, or nominations of Foreign Service officers.

Submitted June 20, 1977

WILLIAM V. SHANNON, of the District of Columbia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Ireland.

LEONARD WOODCOCK, of Michigan, for the rank of Ambassador during the tenure of his service as Chief of the United States Liaison Office at Peking, People's Republic of China.

NOMINATIONS—Continued

Submitted June 21, 1977

JOHN NEWHOUSE, of the District of Columbia, to be an Assistant Director of the United States Arms Control and Disarmament Agency, vice Leon Sloss.

RONALD S. REED, JR., of Missouri, to be United States Attorney for the Western District of Missouri for the term of 4 years, vice Bert C. Hurn.

FRANK J. ANDERSON, of Indiana, to be United States Marshal for the Southern District of Indiana for the term of 4 years, vice Charles D. Loos.

Submitted June 22, 1977

PHILIP MAYER KAISER, of New York, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Hungary.

EDWARD L. FILIPPINE, of Missouri, to be United States District Judge for the Eastern District of Missouri, vice John K. Regan, retired.

ROBERT B. KING, of West Virginia, to be United States Attorney for the Southern District of West Virginia for the term of 4 years, vice John A. Field III, resigned.

BILLIE LYKINS, of Kentucky, to be United States Marshal for the Eastern District of Kentucky for the term of 4 years, vice Sherman L. Hansford.

BLANDINA CARDENAS, of Texas, to be Chief of the Children's Bureau, Department of Health, Education, and Welfare, vice John Meier, resigned.

Submitted June 23, 1977

WILLIAM E. SCHAUFELE, JR., of Ohio, a Foreign Service officer of the Class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Greece.

KENT FORREST HANSEN, of Massachusetts, to be a member of the Nuclear Regulatory Commission for the remainder of the term expiring June 30, 1978, vice Edward A. Mason, resigned.

ROBERT H. MCKINNEY, of Indiana, to be a member of the Federal Home Loan Bank Board for the term of 4 years expiring June 30, 1981, vice Grady Perry, Jr.

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**CHECKLIST OF WHITE HOUSE
PRESS RELEASES**

The following releases of the Office of the White House Press Secretary, distributed during the period covered by this issue, are not included in the issue.

Released June 21, 1977

Announcement: nomination of Ronald S. Reed, Jr., to be United States Attorney for the Western District of Missouri

Released June 22, 1977

Statement: on signing the Export Administration Amendments of 1977 (as read at the signing ceremony)

Fact sheet: Export Administration Amendments of 1977

Announcement: the President's intention to reduce the White House helicopter fleet

Announcement: nomination of Edward L. Filippine to be United States District Judge for the Eastern District of Missouri

**ACTS APPROVED BY
THE PRESIDENT**

Approved June 17, 1977

H.R. 6692----- Public Law 95-49
Education of the Handicapped Amendments of 1977.

Approved June 20, 1977

H.R. 6197----- Public Law 95-51
An act to amend the Disaster Relief Act of 1974 to provide for authorization of appropriations thereunder through fiscal year 1978.

S. 521----- Public Law 95-50
An act to amend the John F. Kennedy Center Act to authorize funds for the repair of leaks.

Approved June 22, 1977

H.R. 5840----- Public Law 95-52
Export Administration Amendments of 1977.

H.R. 6206----- Public Law 95-53
An act to authorize appropriations for fiscal years 1978, 1979, and 1980 to carry out the Commercial Fisheries Research and Development Act of 1964.

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